

A Case Study from

Helwig Carbon Products, Inc.



# *Employee Wellness:* A Strategic Business Priority

Well City Milwaukee in collaboration with:



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## Employee Wellness: A Strategic Business Priority

Escalating health care costs are what prompted Helwig Carbon Products, Inc. to launch their wellness initiative in 2004. Since then, the program has evolved to realize not only lower health care costs, but improvements in employee health and productivity and decreased worker's compensation premiums.

Established in 1928, Helwig Carbon Products is one of the last American-owned manufacturers of electrical and mechanical carbon-related products. This third generation family owned business, located on Milwaukee's northwest side, takes pride in being responsive to customer needs and in the exceptional customer service provided by its culturally diverse workforce of 244 employees. Despite their relatively small size, Helwig has been a leader in the Milwaukee wellness community. They have participated in Well City Milwaukee, a coalition of over 50 Milwaukee area employers who, under the leadership of the City of Milwaukee, the Greater Milwaukee Committee and the Metropolitan Milwaukee Association of Commerce, have committed to a 3 year process of helping Milwaukee become a Well City USA – a designation awarded by the Wellness Councils of America (WELCOA). In 2008 Helwig was awarded the Gold Well Workplace Award from WELCOA.

Helwig's wellness program started with an investment in an onsite Registered Nurse who was available for employee health and wellness concerns. The nurse worked closely with company leaders and the health and wellness team to provide resources, financial investment and incentives for employees to encourage participation in wellness initiatives. As the program evolved, an exercise room, yoga, jazzercise classes, wellness workshops, and access to a nutritionist and personal trainer were added. To accommodate the culturally diverse workforce communication about program activities and health resources are provided in multiple languages. Evaluation and tracking data to measure outcomes has been important from the onset of the program.

### ***Health Risk Assessment a Driving Force in the Wellness Program***

From the beginning, Helwig's wellness program involved a Health Risk Assessment (HRA) that helps identify risks and provides individual recommendations that in turn, give focus to Helwig's programs and interventions. All employees, regardless of whether or not they are part of the employer-sponsored health plan, are invited and encouraged to participate. Spouses of employees who are on the health insurance plan

*Wellness Vision:  
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are also eligible. In 2004, total employee participation was 69%. Engagement remained strong for 2005 – 2008 with participation rates averaging 75%. In 2009 the participation rate was 84%, the highest since the beginning of the program. The participation rate for employees who are part of the insurance plan is more than 90%.

The company took a number of steps to maximize employee involvement in the HRA. First, they wanted to select an HRA tool that would be appropriate for their diverse workforce. Since English is a second language for 45% of their employees, Helwig chose a one-page HRA that is easy to understand and complete. While the health survey includes a few questions about health history and behaviors, its emphasis is on biometric measurements (blood pressure, height, weight, body fat percentage) and lab work results (nicotine, HDL, LDL, total cholesterol, triglycerides, glucose, liver and kidney function). Second, the entire process is fully funded by the company and employees can participate in HRA activities during their work hours. Finally, strong financial incentives tied to the health insurance premium are offered to employees on the health insurance plan who complete the health questionnaire and participate in the health screenings.

Upon completion of the HRA and screening process, the employees meet with the RN Wellness Coordinator to review their results in private counseling sessions scheduled during work hours. Employees who do not speak English as their first language may request to have an interpreter for this session. Employees who need further counseling for identified health risks are offered the opportunity to participate in the personal

health coaching program. Individual coaching sessions are scheduled with the nurse throughout the year. The individual HRA reports and counseling sessions have increased employee awareness about health issues. As a result, many employees have established personal health improvement goals such as quitting smoking, managing weight and lowering cholesterol or blood pressure.

Helwig is committed to improving the overall health of their employees and their families by providing individualized interventions and company-wide health promotion initiatives. These efforts are making a difference. Helwig has demonstrated that employer-sponsored health promotion efforts can lead to improved employee health, increased productivity, and have a positive impact on the bottom line.

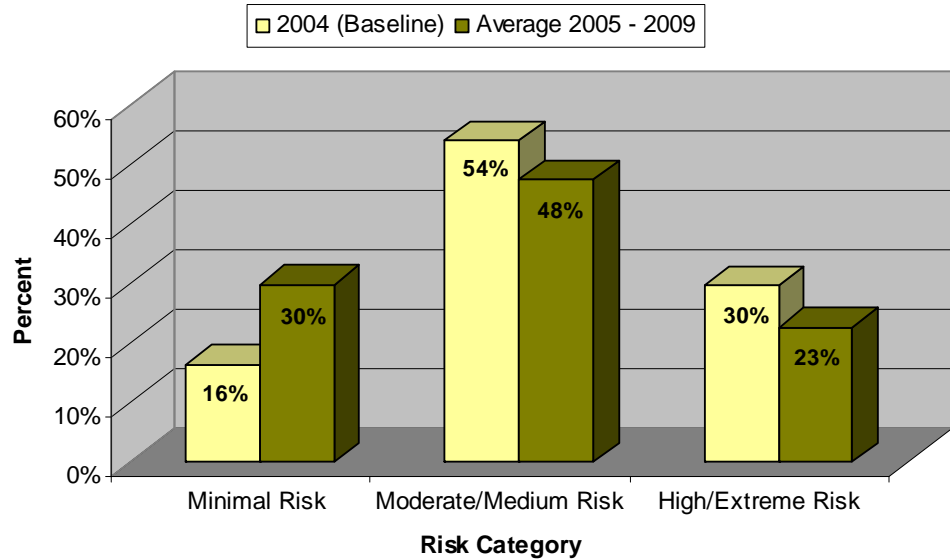
#### ***Risk Factor Reduction and Improved Employee Health***

Helwig has seen impressive improvements in overall employee health as indicated by positive changes in the health risk status. Based on the HRA health measurements, employees are categorized into one of three risk categories including minimal, moderate/medium, or high/extreme health risk. Improvements in overall employee health are demonstrated by an increase in the minimal risk category and decreases in the moderate/medium and high/extreme risk categories.

The health outcome measurements for “repeat participants” or only those employees who completed the HRA for each year since the launch of the program illustrate the positive impacts of Helwig’s wellness program. The risk profile for the 122 employees (out of approximately 200) who have completed the HRA process consecutively for



**Figure 1: Helwig Carbon Products Percent of Employees by Health Risk Category**



the past six years has improved. Figure 1 illustrates the positive shift in risk status that has taken place between the first year of the wellness program (baseline 2004) and the five year period following the launch (2005 – 2009). Most notably, the percent of employees in the minimal risk category increased from 16% to 30%. The sizeable shift of employees to the minimal risk category corresponded with a substantial decrease in the percent of employees in the

moderate/medium and high/extreme risk categories.

Fourteen different health behaviors and outcomes are measured during the health screening. The

**Figure 2: Percent of Helwig Carbon Product Employees Health Measurements within Recommended Ranges**



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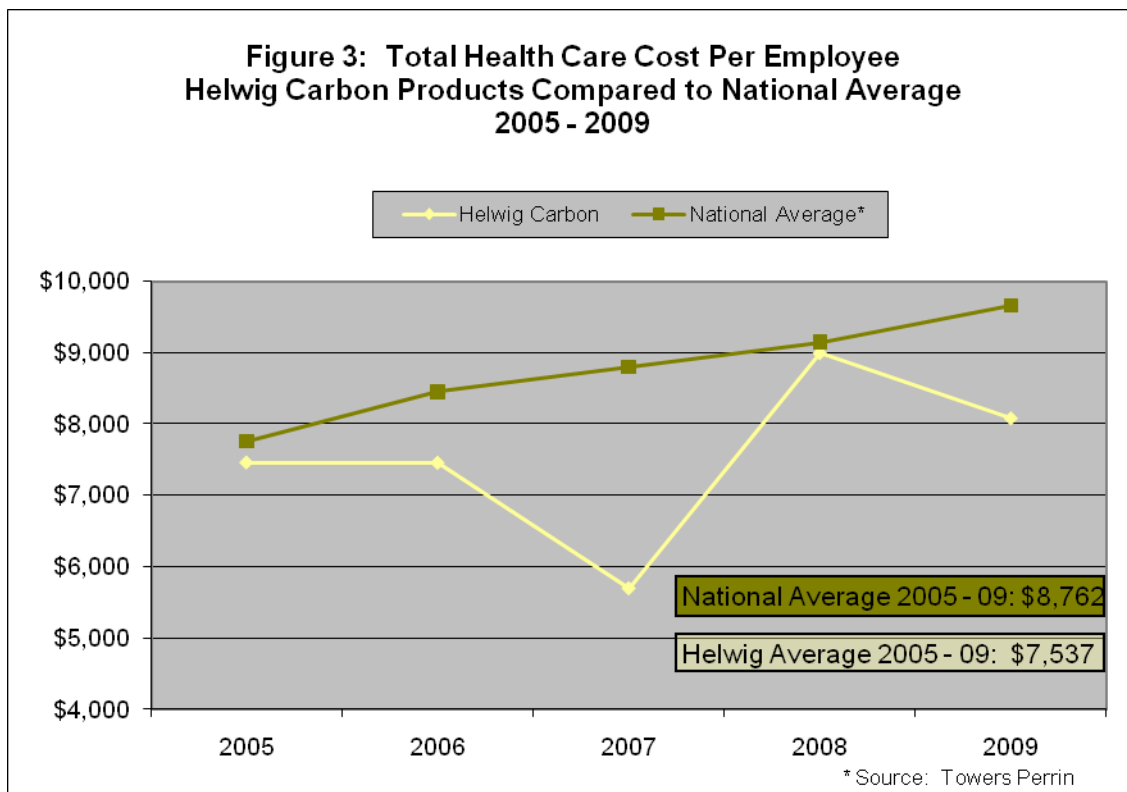
majority of the health risks have changed for the better (See Figure 2). The top three health indicators with the most remarkable improvements have been body fat percent, blood pressure, and total cholesterol. In 2004, only 20% of employees fell within the recommended body fat percent for their age and sex. This percentage increased to an average of 41%. Many employees also improved their blood pressure. Initially, only 44% of employees had a blood pressure reading within the recommended range. This percent increased to an average of 62%. Considerable improvements were also noted for total cholesterol, with the percent of employees within the recommended range increasing from 44% to 56%. These health changes are impressive,

especially since the average age for the employees increased from 44 at baseline to 48 by 2009.

Helwig has also seen a change for the better in employee self-reported health behaviors. On average more employees report “always wearing seatbelts” (82% vs. 77% at baseline) and more employees report exercising at least 3 hours per week (24% vs 17% at baseline).

**Linking Health Outcomes to the Bottom Line**

Helwig chose to self-fund their employee health care insurance with the goal of containing health care costs and improving cash flow while still delivering the health coverage they wanted for their employees. This strategy along with their wellness program has helped them achieve health care expenses that are below national average (See Figure 3). Paul Casper, General Manager at



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Helwig, feels that the wellness program has definitely contributed to lower than expected health care costs. “We believe our health care costs would be going up as much as everyone else’s if we did nothing.”

Based on the projected health care savings alone, Casper estimates that their return on investment is 1.6 to 1.

The company has experienced a rise in productivity that corresponds with the launch of the wellness initiatives. Measured in terms of product shipped per hour worked by all employees, the average number of units shipped for the period of 2005 - 2009 is 17% higher than the five year period before the wellness program (2000 – 2004). In addition, worker’s compensation losses have been lower than expected. The modification factor, which determines how much worker’s compensation premiums increase or decrease, averaged 0.80 for the two years prior to the launch of the wellness program. Two years after the launch the modification factor average dropped to 0.63, reflecting a 21% improvement. The trend has remained strong for the past five years, with an average modification factor of 0.73.

#### ***Wellness Program Grows with Urban Garden***

In the spring of 2009, Helwig again demonstrated their commitment to the health and well being of their employees and their families by providing land on company property for employees to plant and harvest a vegetable garden. “Many of our employees have no space at home to do gardening. Working the soil, the exercise, not to mention the health benefits of fresh produce provides help for our employees when times are tough,” said Jay Koenitzer, President.

The project was coordinated by the company wellness team. Plans are to continue to develop the project in coming years. ■

***“We took our first steps on the wellness journey to rein in out of control health care costs. We take our current steps because we have seen the human and financial benefits that a well-founded wellness program can generate. We are committed to take future steps because it is our vision, mission, and duty.”***

***-- Jeff Koenitzer, Helwig Carbon Products, Inc. Chairman of the Board and CEO***

#### **References**

Towers Perrin, *Towers Perrin's Health Care Cost Survey* for 2005 - 2009.