

Health Promotion Practitioner

Practical solutions for health enhancement programming

Disincentives: Are Organizations Going Too Far?

Some organizations have adopted, or are considering, aggressive policies toward unhealthy lifestyles. Disincentives for tobacco use are most common, but some groups are also flirting with penalties for other lifestyle-related chronic conditions. One that got media attention is Weyco's (now part of Maritain Health) no-smokers policy (google Weyco wellness).

Outcomes data on disincentives is largely anecdotal, but sentiment may be shifting toward a kinder, gentler workplace — at least when it comes to who pays for what healthcare expense. A *Wall Street Journal*/Harris Interactive poll of more than 2200 adults found:

- 65% believe employers shouldn't have the right to require employees to attend smoking cessation programs or to fire an employee unwilling to quit
- 67% say employers shouldn't have the right to require weight loss program attendance or to fire an employee who doesn't lose weight.

When presented this question...

"People who have healthy lifestyles, don't smoke, exercise frequently, and control their weight tend to incur fewer healthcare costs than people with unhealthy lifestyles. Do you think it would be fair or unfair...?" (see responses in table at right.)

To ask people with unhealthy lifestyles to pay higher insurance premiums than people with healthy lifestyles:

	2003	2006	2007
Fair	37%	53%	37%
Unfair	46%	32%	42%
Not Sure	17%	14%	20%

To ask people with unhealthy lifestyles to pay higher medical deductibles or copayments than people with healthy lifestyles:

	2003	2006	2007
Fair	36%	53%	35%
Unfair	47%	30%	46%
Not Sure	17%	16%	19%

What It Means

The significant drop since 2006 in those who say unhealthy lifestyles mean you should pay more may signal employers have gone too far. Or it could be a heightened realization that those in an overweight or obese category may face higher costs in the future. In either case, there appears to be a move toward more empathy for those who live an unhealthy lifestyle.

It's too early to say for sure, but the softening stance suggests people are becoming skeptical of the stick approach.

Continued

Smokers vs. Exercisers

Poll respondents who smoke are most opposed to targeting people based on their behaviors:

- 83% say employers shouldn't require smoking programs
- 79% say employers shouldn't require weight loss programs.

Smokers are also least supportive of making those with unhealthy lifestyles pay more for insurance (15%) or out-of-pocket medical costs (13%). But more than 40% of those who exercise regularly support higher costs for people with unhealthy lifestyles.

While there's no question that disincentives will work in the short term, it's not clear they'll work over time. In fact, employers risk creating apprehension at the least and resentment at the most: "Where will they draw the line?"

If more than half of a population is overweight or obese, are you going to implement disincentives for all of them? Who decides that a BMI of 25 is healthy and 29 isn't? What about cholesterol — 199 vs. 201? And what criteria do you use to charge more? Do you waive increased charges when the person demonstrates they're practicing a healthy lifestyle, but not seeing results? There's really no end to the exceptions that have to be made in a disincentive model.

Why Carrots Work

We have always favored incentives over penalties because they shift responsibility to the individual: "If I want the incentive, I have to make the change." A disincentive is inherently demeaning: "If I want to avoid punishment, I have to make a change." It's not a subtle distinction. And it's not lost on employees.

People like goals... and they like the positive reinforcement an incentive provides when they achieve the goal. It's that simple. Though there probably are hundreds of ways to implement an incentive program, here's the bottom line:


It should *motivate participants to engage in the behavior long enough to experience the health or quality of life benefit for themselves* — and continue practicing the behavior long after receiving the incentive.

Be Careful With Cash

Money talks... for about 5 minutes. It's really a poor long-term motivator for lifestyle change. Here's why:

- Money gets spent on bills, fast food, gas, and other consumables. Once it's gone, there's no visible reminder of the accomplishment.
- Over time, cash incentives are viewed as part of normal compensation. The first year it's a novelty, a chance for a few extra dollars. But then there's not a lot of motivation to do more, and the money is expected.
- Once in place, systems are hard to change without upsetting those who liked them in the past — there's nothing more demotivating than money out of your pocket. So if the program isn't working, you have to up the ante to get them to buy in.
- It's difficult to recognize or celebrate the awarding of money tastefully and without making some people feel slighted.
- You hire and pay people for the contribution they make to the organization, not their percent body fat. It's important they understand unhealthy behaviors hurt the bottom line, but don't muddle the issue by paying for anything other than their work.

Be careful about disincentives or a pay-me-now *and* pay-me-later incentive model. All it takes is a change in leadership and you're starting over — no matter how good your data.

Health is a personal responsibility. Rewarding individuals for taking that seriously can be a very positive thing, but penalizing people for taking it less seriously is fraught with peril. Proceed at your own risk. 



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