

# Progress Energy: Wellness Program

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# Progress Energy

- Fully-integrated electric utility serving:
  - ◆ NC: 1.4 million customers
  - ◆ SC: 0.2 million customers
  - ◆ FL: 1.6 million customers
- 32 generating plants + 5 Nuclear units
- 54,000 square miles service territory
- \$12B market capitalization
- 10,500 employees

# Progress Energy Wellness Agenda

- Wellness Program Creation
- Key Program Elements
- Employee Engagement
- 2007 Launch Results
- 2008 Plans
- Top Tips for You to Launch or Enhance a Wellness Program

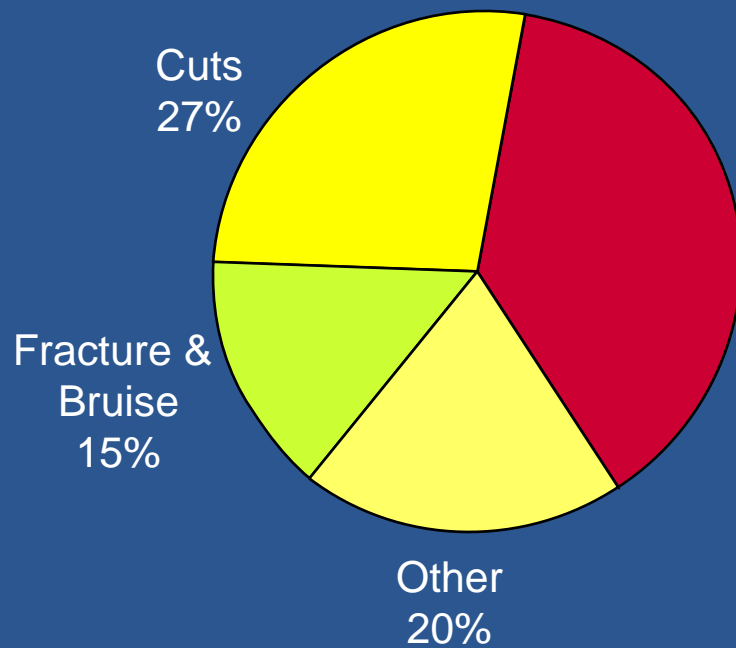
# Progress Energy Wellness Program Creation

2005 – Human Resources Medical Benefits and Corporate Safety wellness research

- ◆ Rising health care costs
- ◆ Frequent news reports: Americans becoming more obese!
- ◆ Aging population
- ◆ Limited research available, wellness program estimated R.O.I. is 3:1
- ◆ Leverage our strong safety culture

# Progress Energy Wellness Program Creation

Safety: #1 injury type “sprains & strains”



**Sprains & Strains**  
**38%**

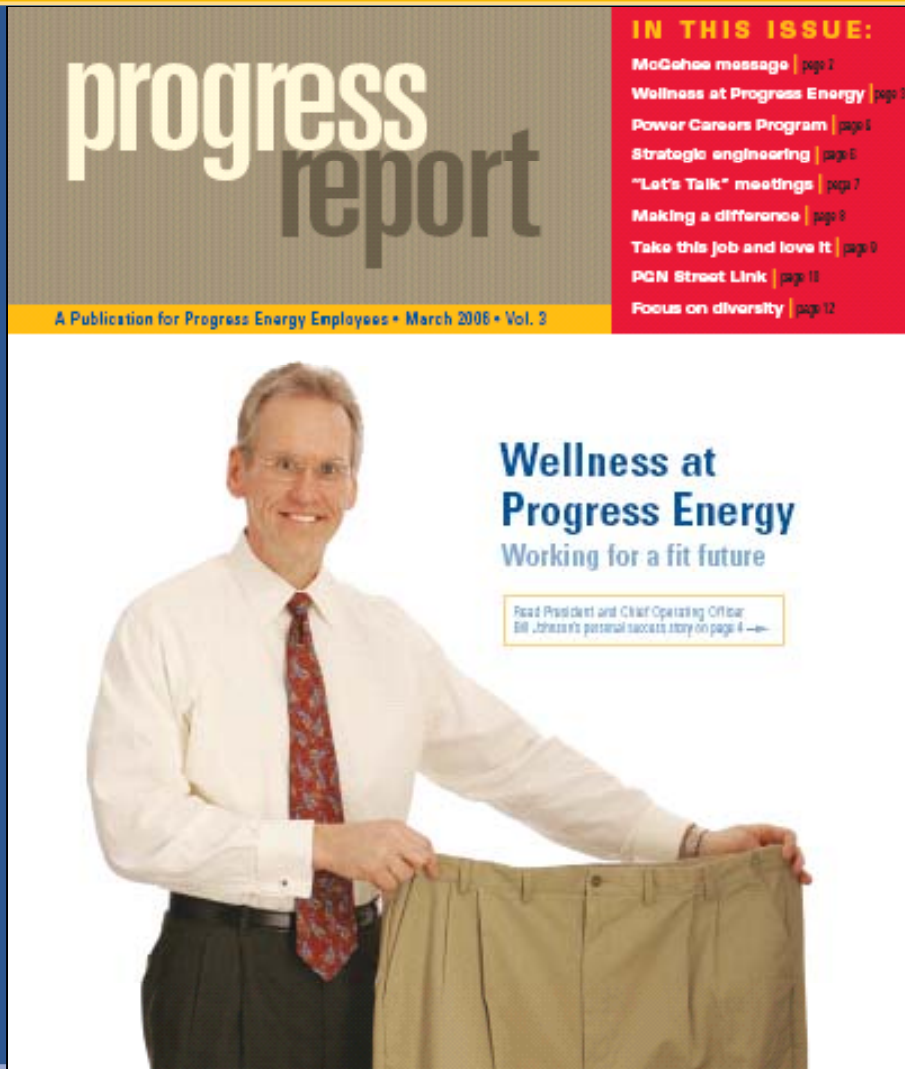


# Progress Energy Wellness Program Creation

2006 – Employee focus groups provided inputs on a wellness program design

- Facilitated by a 3<sup>rd</sup> party
- Top employee desires of a wellness program:
  - ◆ Voluntary program ... don't mandate
  - ◆ Ensure personal health information is **CONFIDENTIAL**
  - ◆ Offer healthy meal options ... don't mandate
  - ◆ Make it fun! Motivate me!

# Progress Energy Wellness Program Creation



Wellness Program  
Executive Sponsor:  
Bill Johnson  
Progress Energy CEO

Lost over 100 pounds!

Senior Management  
supported the  
development and launch  
of a wellness program.

# Progress Energy Wellness Program Creation

## 2007 - Created a Wellness Leadership Team

- ◆ Cross-functional
- ◆ Executives and core project team members
- ◆ Monthly meetings to discuss program design
- ◆ Communication status support to other executives
- ◆ Project credibility
- ◆ Support of the project launch

# Key Program Elements

## Developed a Wellness Mission Statement

The mission of Progress Energy's wellness program, Healthy Progress, is to enhance the safety and productivity of Progress Energy employees by providing wellness resources that will improve their overall quality of life.

Through the program, all full-time employees are eligible for a variety of voluntary programs designed to help them achieve healthier lifestyles. Healthy Progress is a coordinated effort between the company and its employees.



# Key Program Elements

## Program Design

- 3<sup>rd</sup> party administrator - StayWell
- 20 minute FREE on-site health screening annually (Jun-Sep)
  - ◆ Height, Weight, Waist Girth
  - ◆ Blood Pressure
  - ◆ Cholesterol, Glucose (Fasting or Non-Fasting)
  - ◆ Blood test: results given in minutes
  - ◆ Health coach private discussion

# Key Program Elements

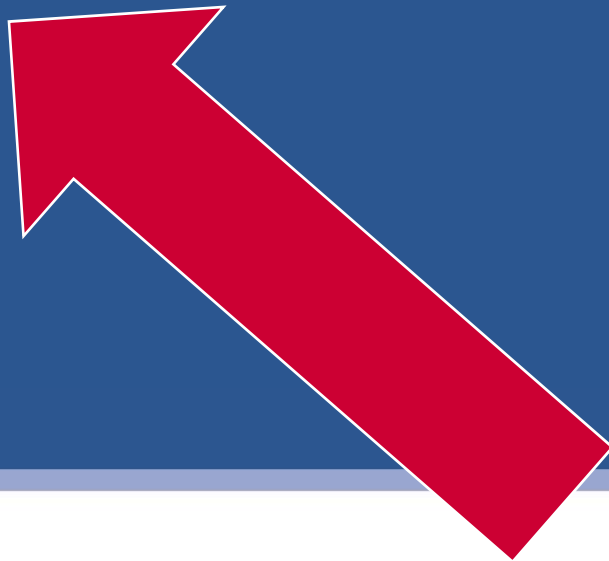
## Program Design

- 20 minute FREE on-line health risk assessment (Oct)
  - ◆ 3<sup>rd</sup> party administrator website
  - ◆ 50 questions
  - ◆ Family history, exercise, eating habits, tobacco use, stress, sleep, etc.
  - ◆ Complete at work or from home
  - ◆ On-line targeted educational materials based on your health risks (health screening + questionnaire)

# Key Program Elements

## Program Design

- Cash incentives through payroll (Dec)
  - ◆ \$100 to participate in the on-site health screening & on-line health assessment
  - ◆ \$500 if achieve all 5 performance standards



# Key Program Elements

## 5 performance standards

1. Body Mass Index < 25 or  
Waist Girth < 40 men, <35 women
2. Blood Pressure < 140/90 mmHg
3. Cholesterol / HDL Ratio < 4.0
4. Fasting glucose <100 or  
Non-fasting glucose <140
5. Tobacco Free for at least 6 months  
(self-reported on-line health assessment)

*Note: Physician can provide reasonable annual alternative*

# Employee Engagement

Benefits of the performance aspects of our wellness program:

- ◆ \$500 has employees excited!
- ◆ More awareness of health standards
- ◆ Stronger link to the business case ... providing tools and resources to help employees improve their health
- ◆ Stronger link to safety ... a fit workforce should have fewer sprains & strains long-term

# Employee Engagement

BUT ... Significant concerns early about Personal Health Information Confidentiality:

- ◆ Multiple discussions with Union leadership
- ◆ Deployed project core team members to speak at many, many employee meetings
- ◆ Stressed that HIPAA applies
- ◆ Stressed that 3<sup>rd</sup> party administrator gathers and protects all of the data
- ◆ Reporting to Progress Energy: groups of 50+ employees only

## 2007 Results

**70% Employee  
Participation**

*Most successful launch in administrator's  
30-year wellness history*

## 2007 Results

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**96% Employee  
Satisfaction with  
the Health  
Screenings**

# 2007 Results

## Progress Energy Top 5 Wellness Risks:

1. Weight
2. Blood Pressure
3. Cholesterol
4. Eating Habits
5. Stress

# 2007 Results

## Employee Success Story

*“Since the wellness survey on 8/1/07, I have lost approximately 30lbs and reduced my waist from size 40 to 36 moving to 34. The best thing about the weight loss and exercise is that my blood pressure has dropped and in December per my Doctor’s order I am no longer taking blood pressure medication. The process has been life changing; I walk 2 miles a day and 5 miles on weekends and workout 4 days a week. Thanks, I know the new wellness program is working.”*

# 2007 Results

## Employee Success Story

*“I smoke cigarettes. I have 3 young daughters that ask me to stop smoking quite often. One heartbreaking plea in particular, hit me with the impact of a bus. It was from my 6 year old who said that all she wanted for Christmas was for me to stop smoking. No toys, no gifts, nothing. I have an appointment set up with my doctor to start a smoking cessation plan involving medication. The \$500 Wellness incentive is a great bonus but my daughter's plea really hit home. The incentive will pay for the meds so there is no reason to put it off any longer. I am proud to work for a company that feels its employee's health is of such major importance that we now have Healthy Progress.”*

# 2008 Plans

- Department-specific risk education
- Health club employee discounts in exchange for free advertising
- Healthy food options at work: vending machines, cafeterias, meeting meals/snacks
- “Stop & Go Fast Food Nutrition Guide” provided to each employee
- “Have Fun: Lose a Ton” voluntary weight loss Department competition

# Tips to Launch or Enhance a Wellness Program

- Start with strong senior management support: take your time to get it!
- In-house wellness specialist to oversee technical program elements
- Involve many departments to plan
  - ◆ Legal ... Legal ... Legal ... get expert outside counsel to advise every step of the way!!!
  - ◆ Human Resources
  - ◆ Health & Safety
  - ◆ Information Technology, Tax, Payroll

# Tips to Launch or Enhance a Wellness Program

- Voluntary ...don't force it!
- Communicate, communicate, communicate
  - ◆ Senior management
  - ◆ Small employee meetings ... so employees feel comfortable asking difficult questions
  - ◆ Openly address Personal Health Information confidentiality concerns
  - ◆ Internal wellness website
  - ◆ Union leadership support, for some employees it was critical to address confidentiality concerns

# Tips to Launch or Enhance a Wellness Program

- Define the program elements that will be meaningful for your employees and match your company culture
  - ◆ On-site health screenings each year
    - ◆ 3<sup>rd</sup> party administrator: all sites >15 employees
    - ◆ Internal wellness coordinator: all sites < 15 employees
    - ◆ Address shift complexities / outage schedules
  - ◆ Phone counseling
  - ◆ Wellness topics at safety meetings
  - ◆ Cash incentives

# Tips to Launch or Enhance a Wellness Program

- Select your 3<sup>rd</sup> party wellness administrator carefully
  - ◆ It was critical for us to have a PERFORMANCE aspect to incentives ... we had to create the administration processes
  - ◆ How do they evaluate wellness risks?
  - ◆ Personnel qualifications
  - ◆ Website content, quality of education materials
  - ◆ Process maturity
  - ◆ Understand what activities they will outsource!

# Tips to Launch or Enhance a Wellness Program

- Build in flexibility to engage everyone
  - ◆ Employees can mail personal physician physical results to 3<sup>rd</sup> party administrator in lieu-of a health screening (and obtain physician cost reimbursement)
  - ◆ Employees can complete the on-line health assessment from a home computer
  - ◆ Physician can establish reasonable annual alternative goals towards the \$500 incentive

# Tips to Launch or Enhance a Wellness Program

- Ask for help from the field!
  - ◆ 100+ site wellness administrators:
    - ◆ On-site annual health screenings logistics
    - ◆ Local wellness communications
  - ◆ 80+ site wellness champions:
    - ◆ Design inputs on new wellness program elements
    - ◆ Wellness education at safety meetings
  - ◆ Local ownership, energy, excitement!

# Summary

- Thrilled with the success of our launch ... a long journey ahead
- Culture change has happened!
- Employees own their own health, company support and partnership
- Strong safety connection
- Program cost reviews, but no cost pressure
- It's the right thing to do!
- CUSTOMIZE TO MATCH YOUR CULTURE

# Questions?

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