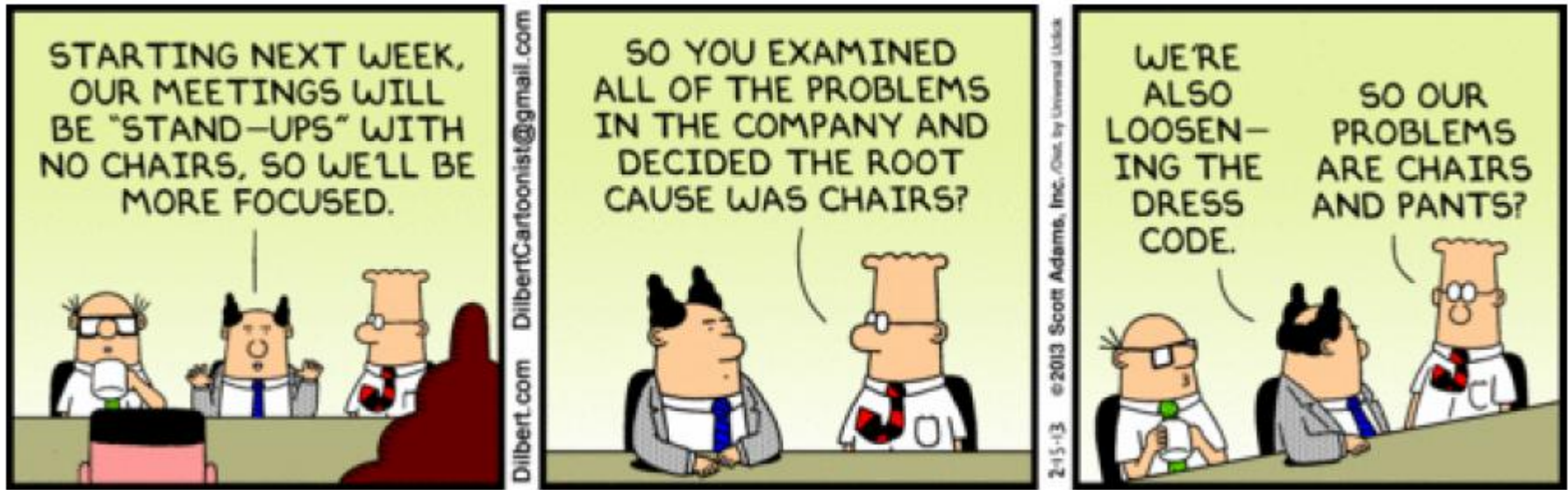


# If only it were this simple...



Who we are....

The largest independent global provider of well-being improvement solutions.

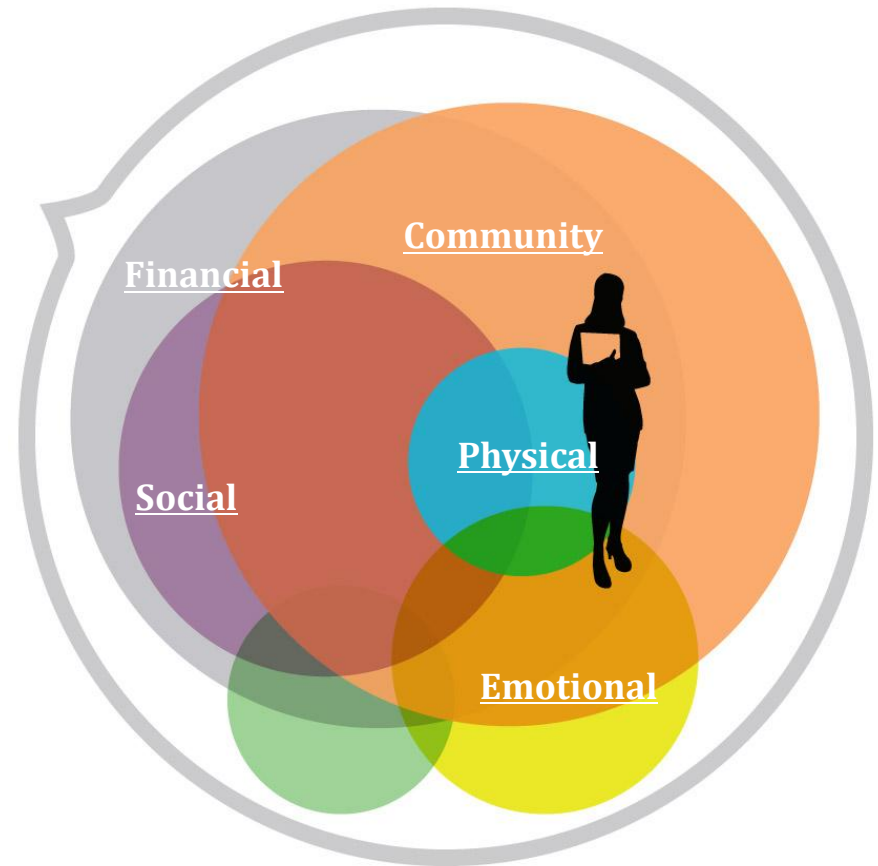
Dedicated to creating a healthier world one person at a time.

Healthways uses the science of behavior change to produce and measure positive change in well-being for our customers

# Making the Transition from Health to Wellness to Well-Being

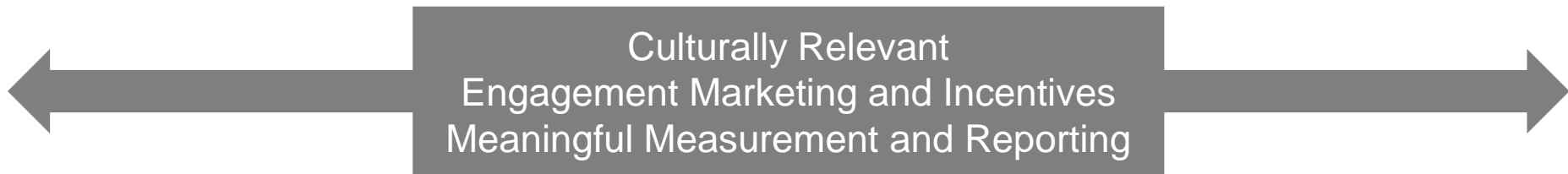
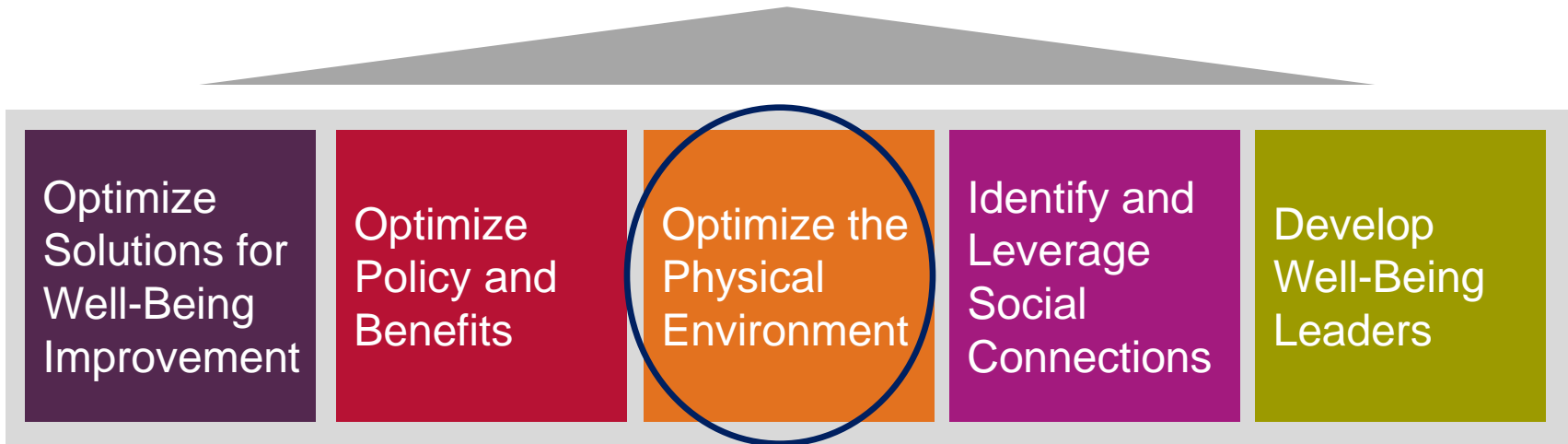
“Health is a state of complete physical, mental and social **well-being** and not merely the absence of disease or infirmity.”

- *Preamble to the Constitution of the World Health Organization as adopted by the International Health Conference, New York, 19-22 June, 1946*



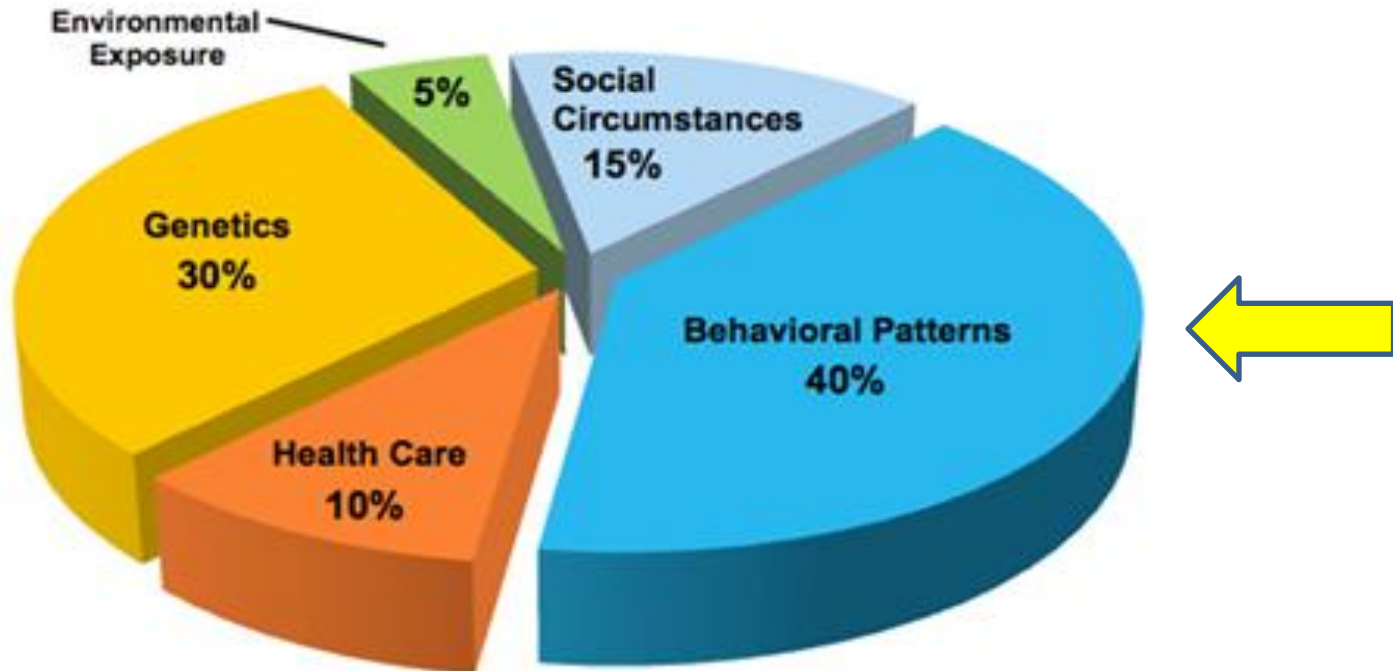
**Individuals • Experts • Social Connections • Environment • Policy**

# Core Investments to Improve Well-Being



# Solving the “right” problem

## Factors Influencing our Health



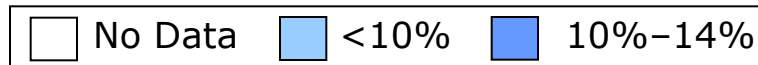
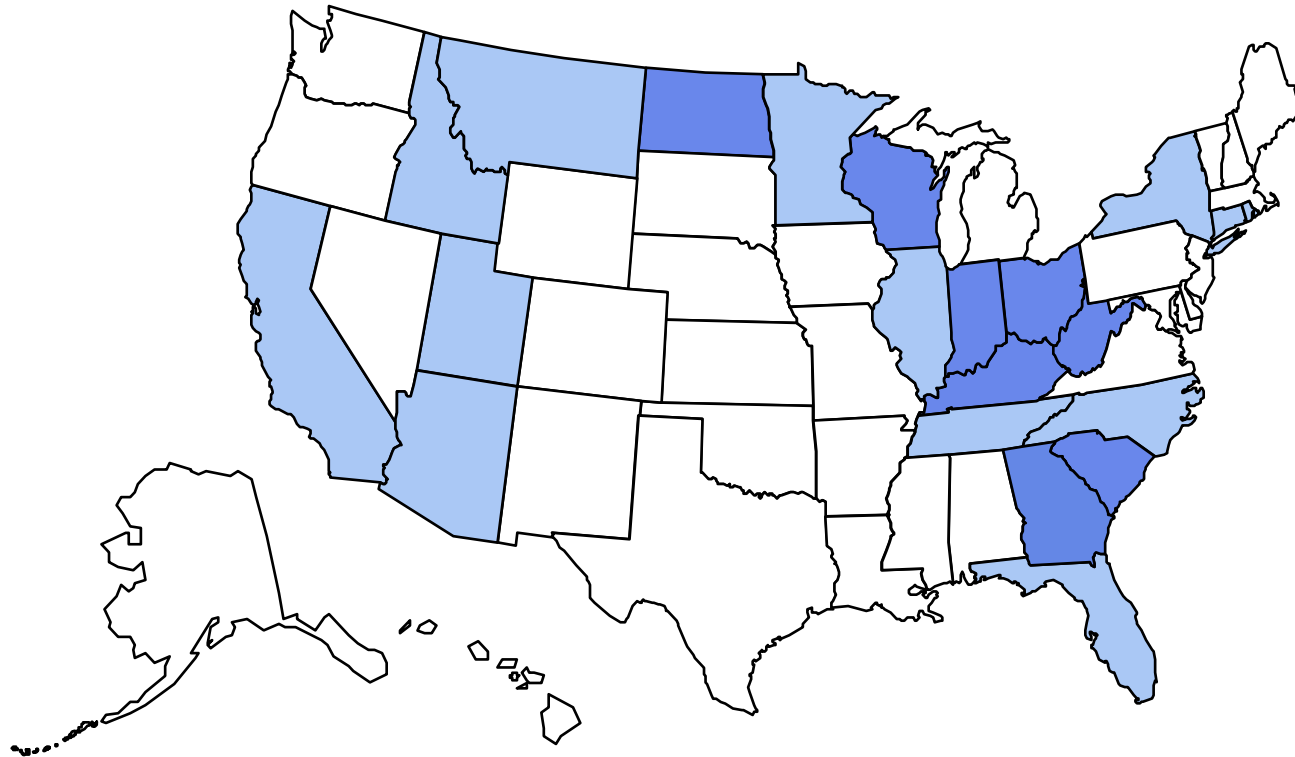
**Personal Behaviors Provides the Greatest Opportunity to Improve Health and Reduce Premature Death**

Schroeder, SA. *N Engl J Med* 2007; 357:1221-1228

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1985

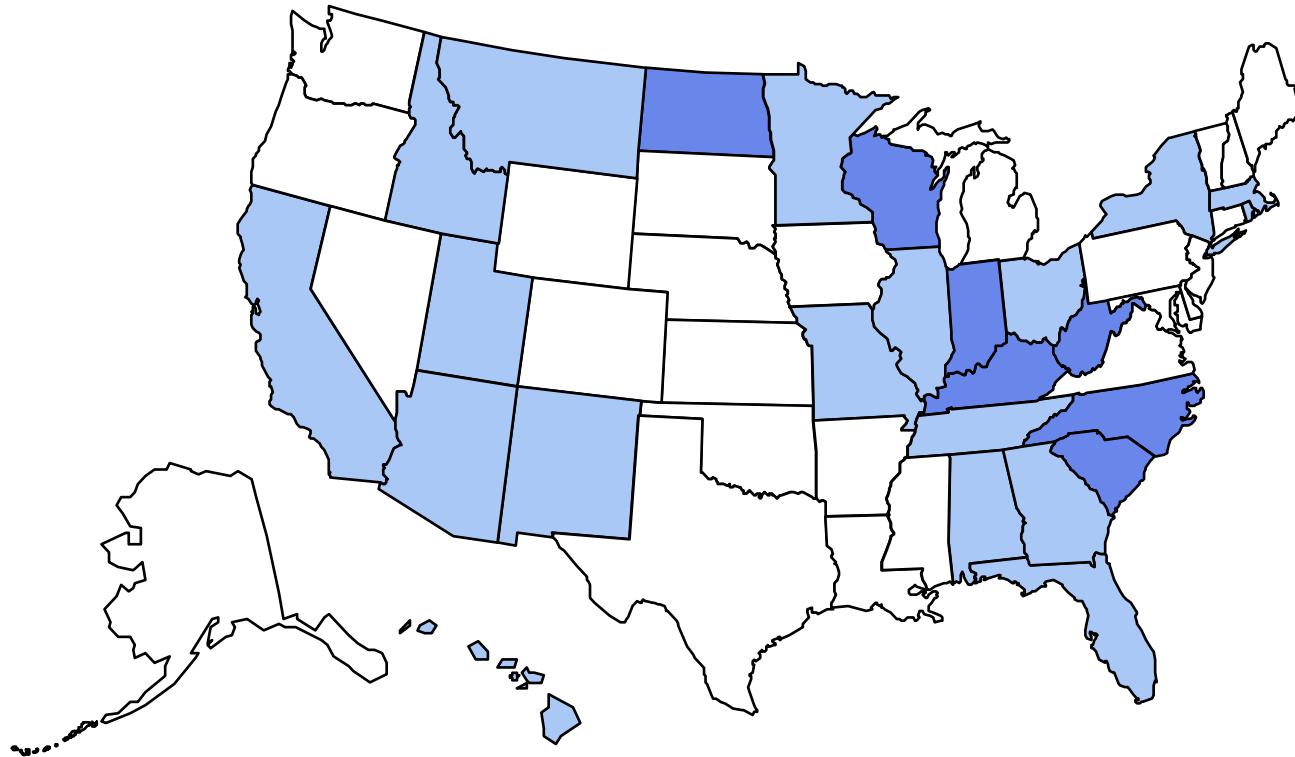
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 1986

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



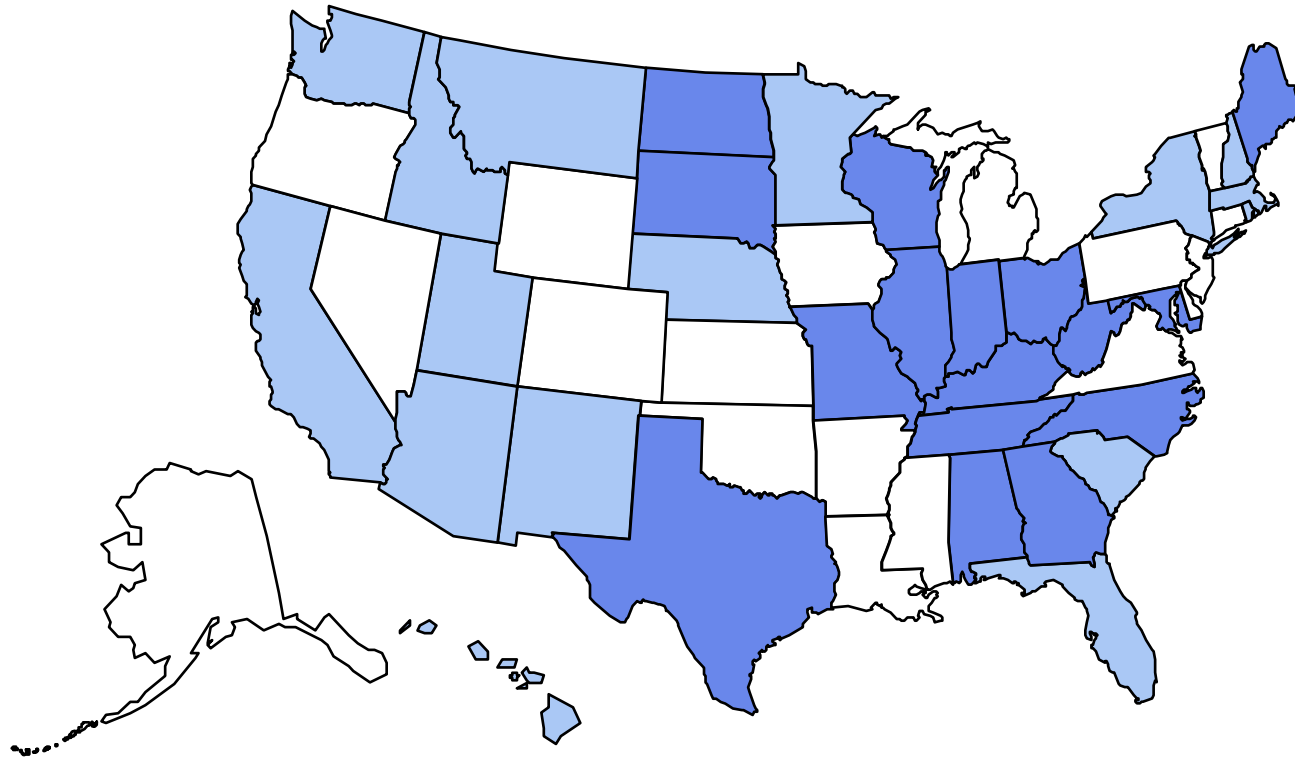
□ No Data    ■ <10%    ■ 10%–14%

**ACTIVE  
DESIGN**

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1987

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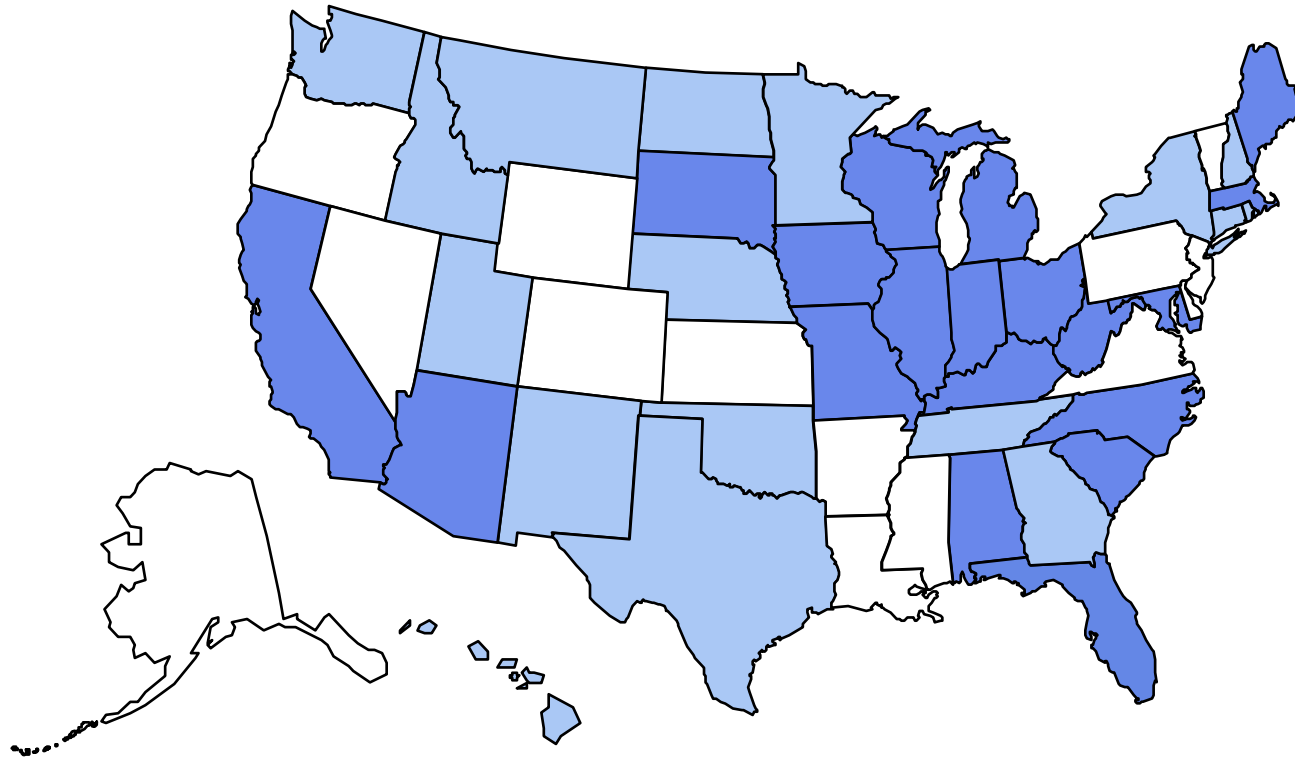
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**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1988

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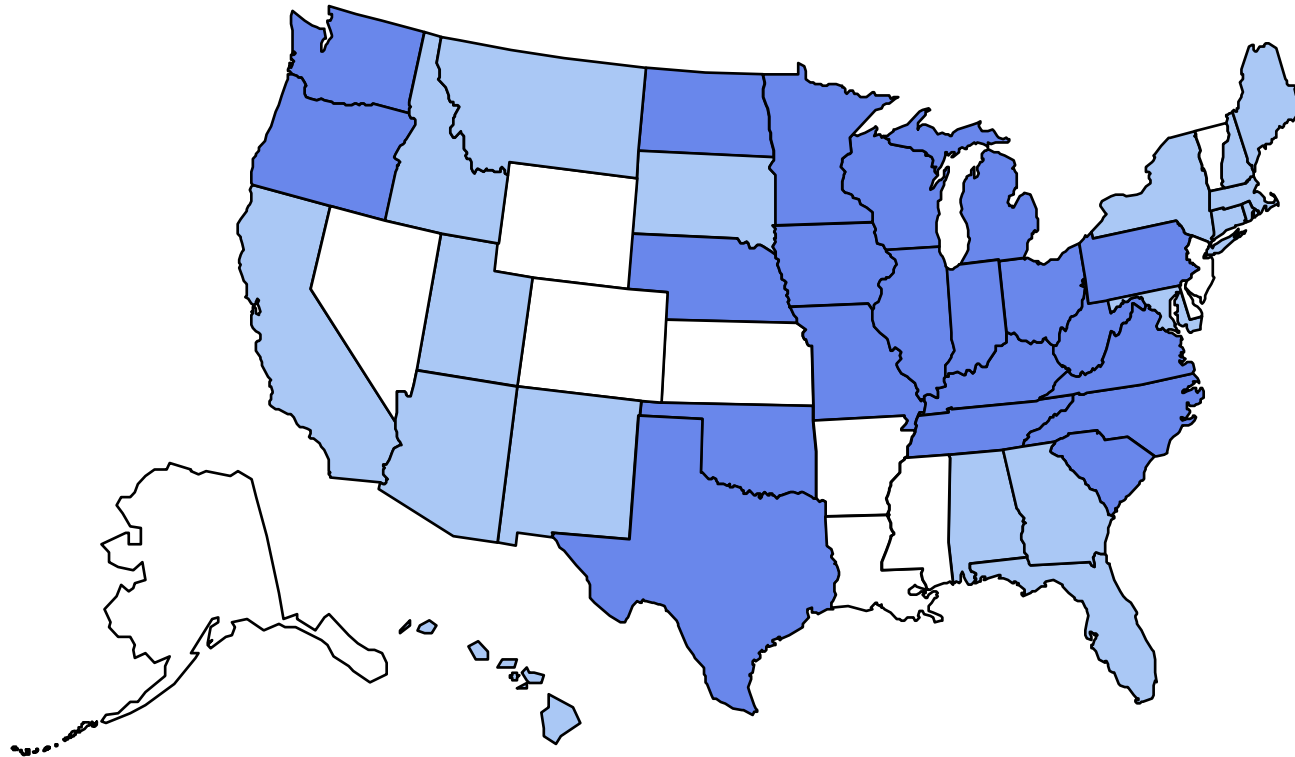
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**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1989

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



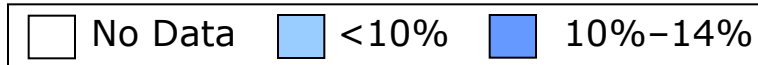
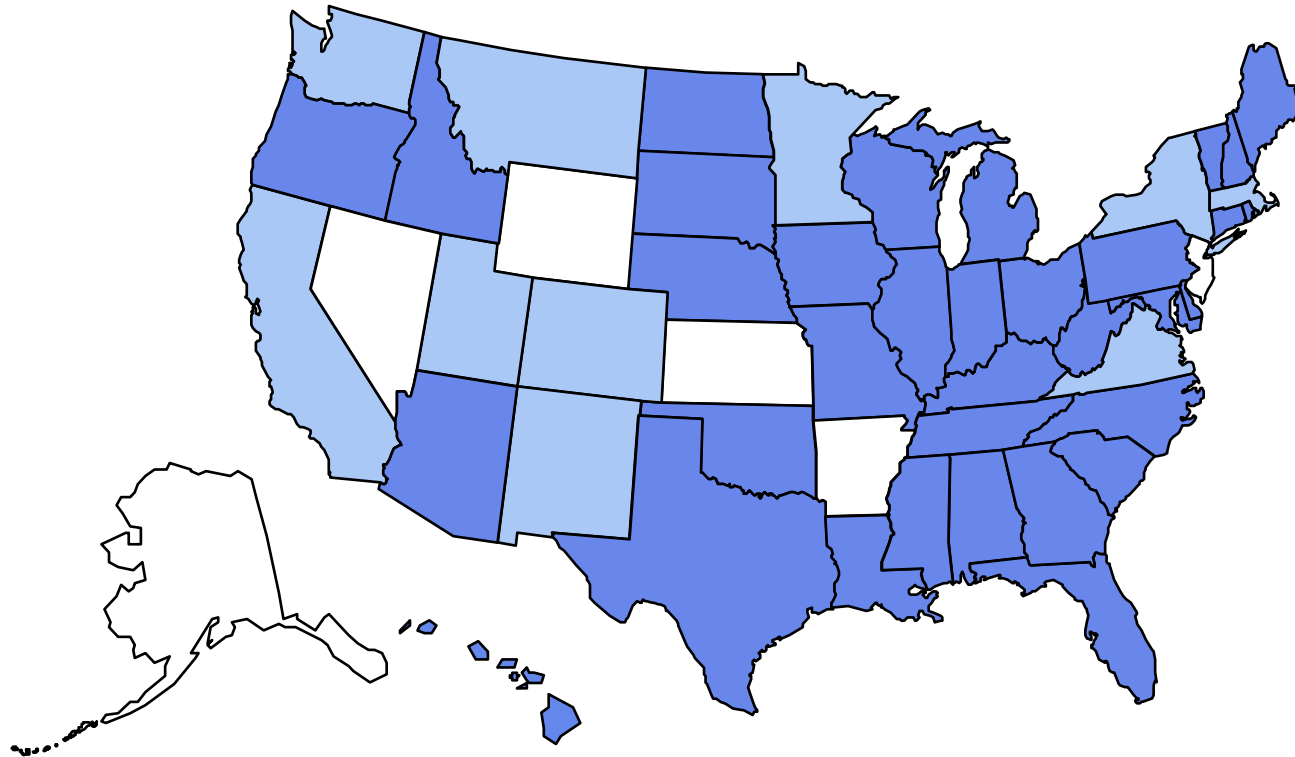
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1990

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



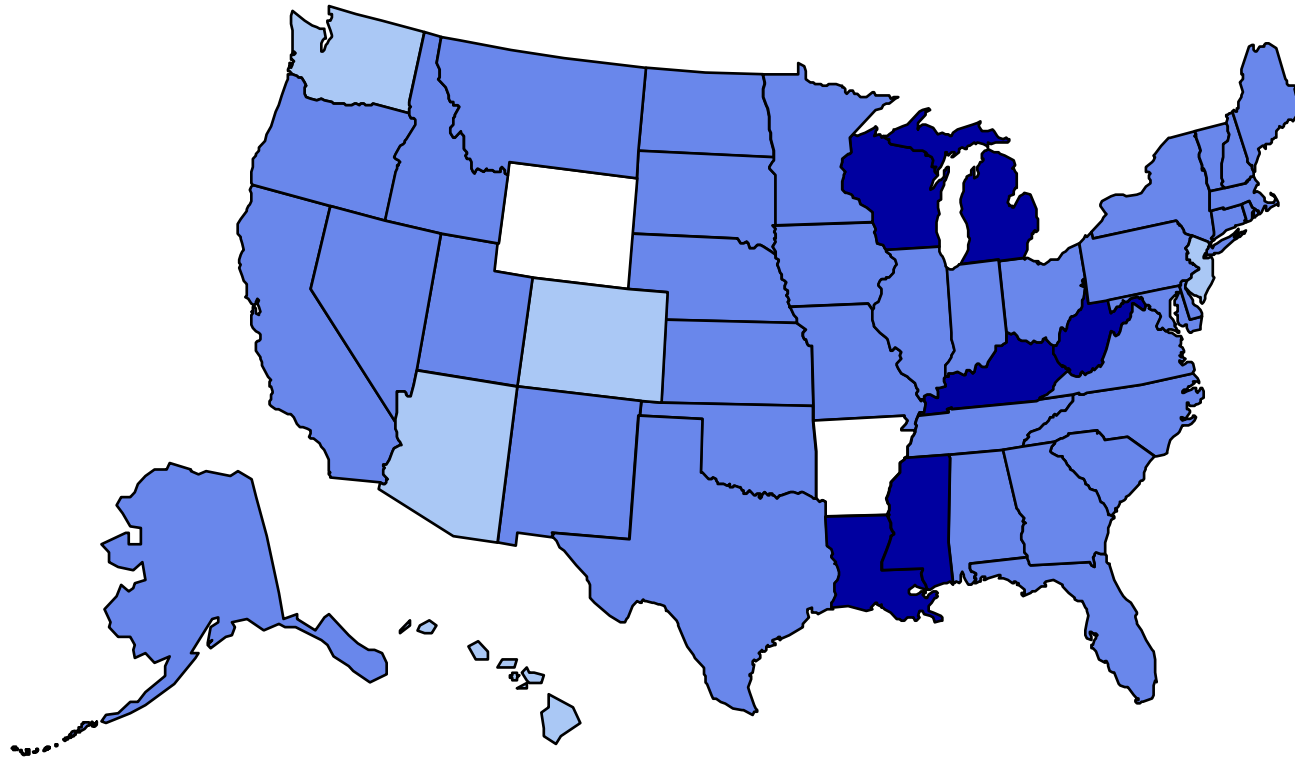
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1992

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



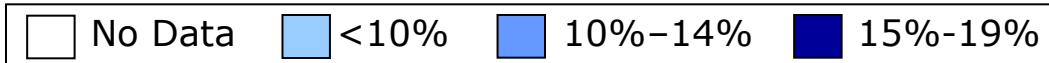
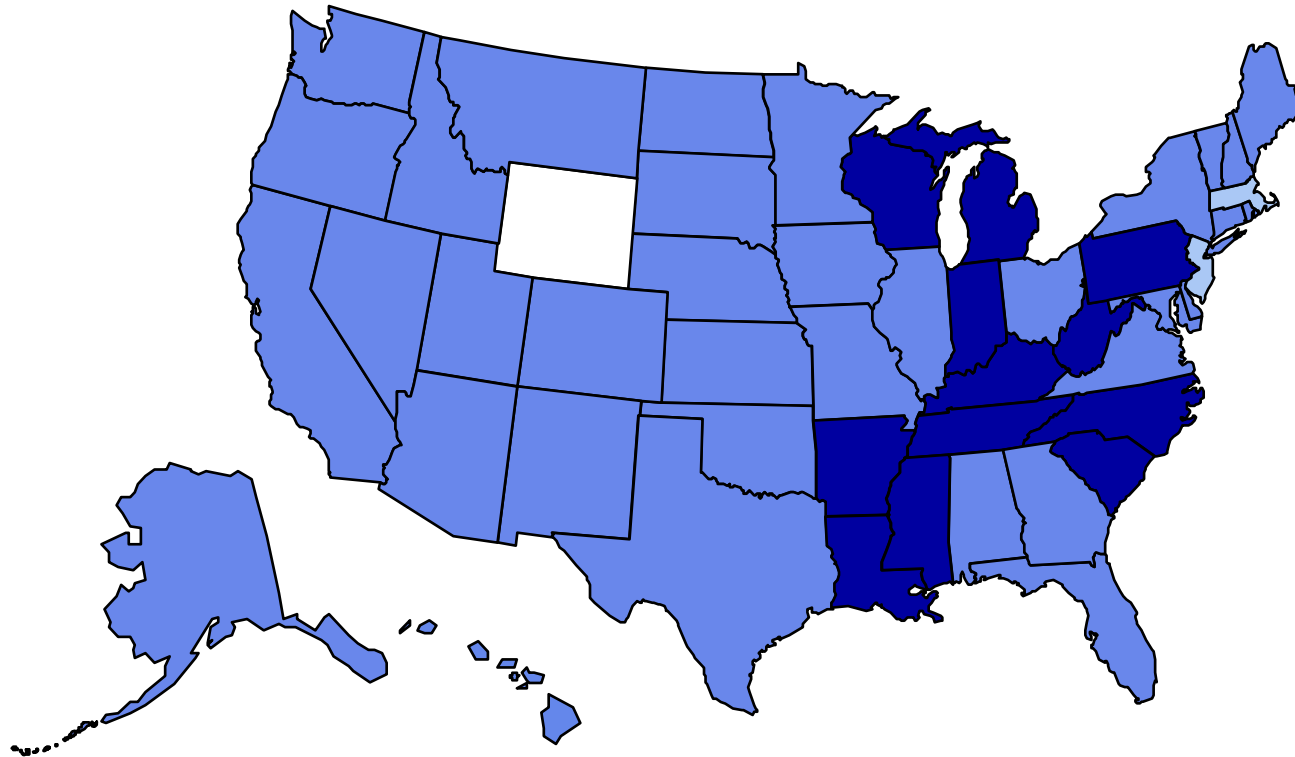
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**ACTIVE  
DESIGN**

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1993

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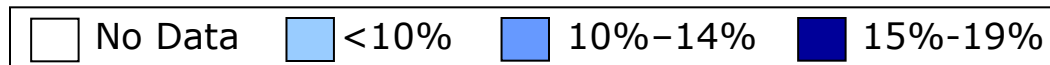
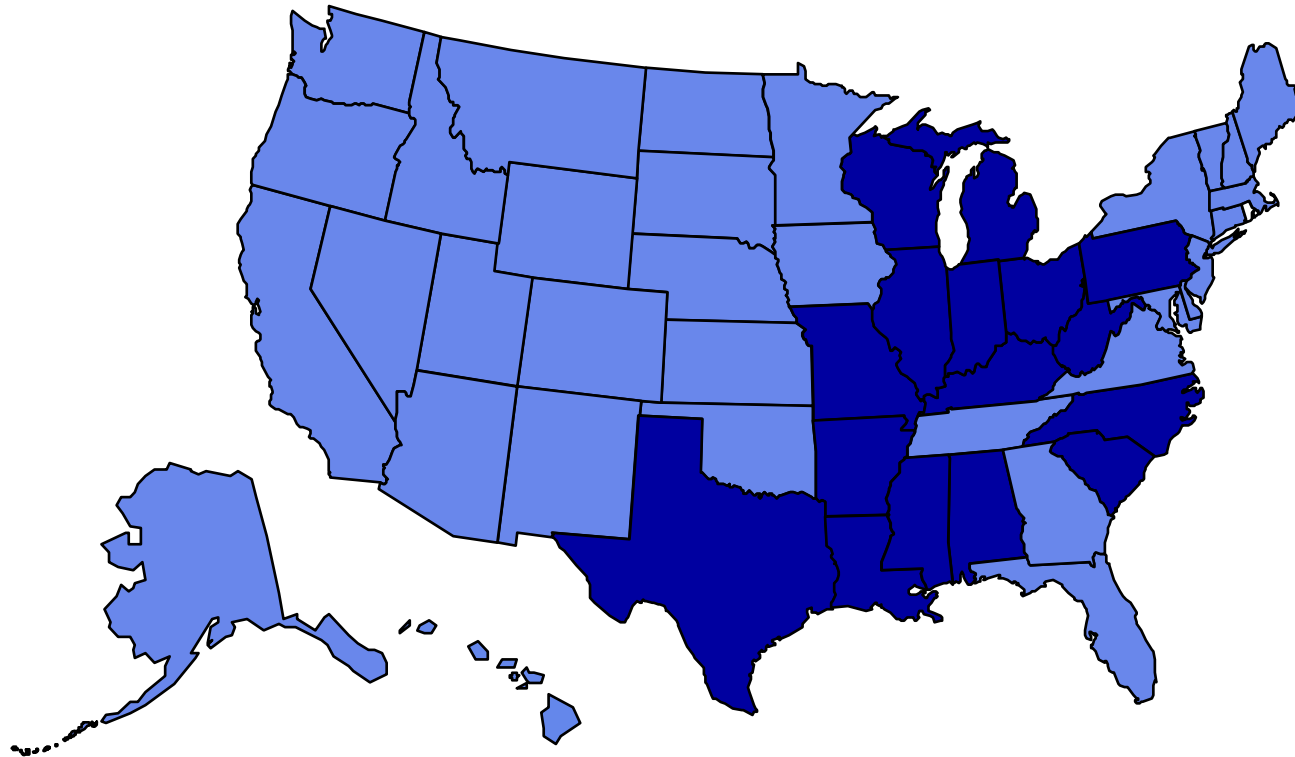


**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1994

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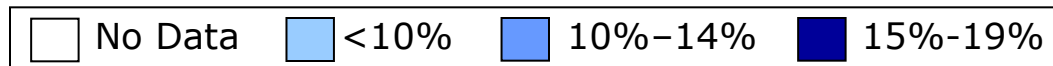
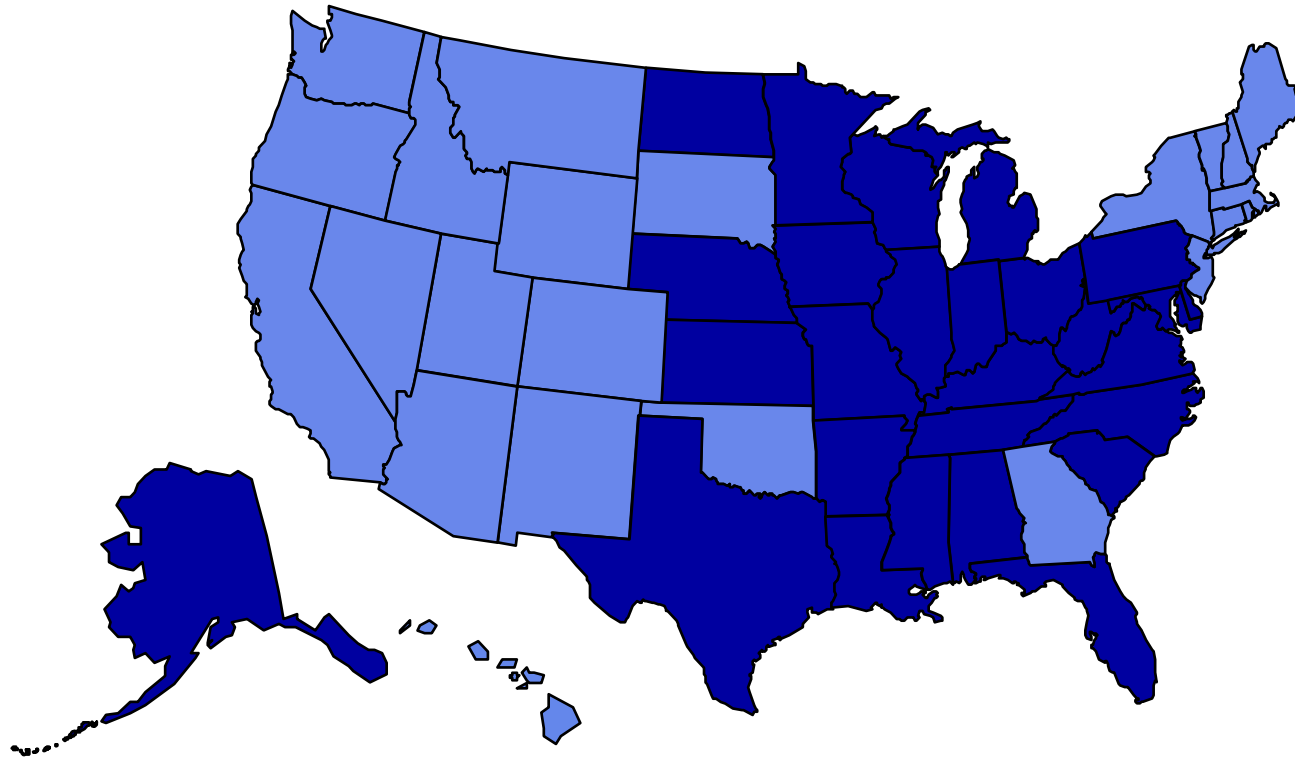


**ACTIVE  
DESIGN**

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1995

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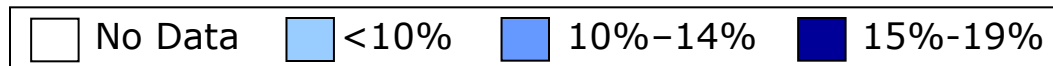
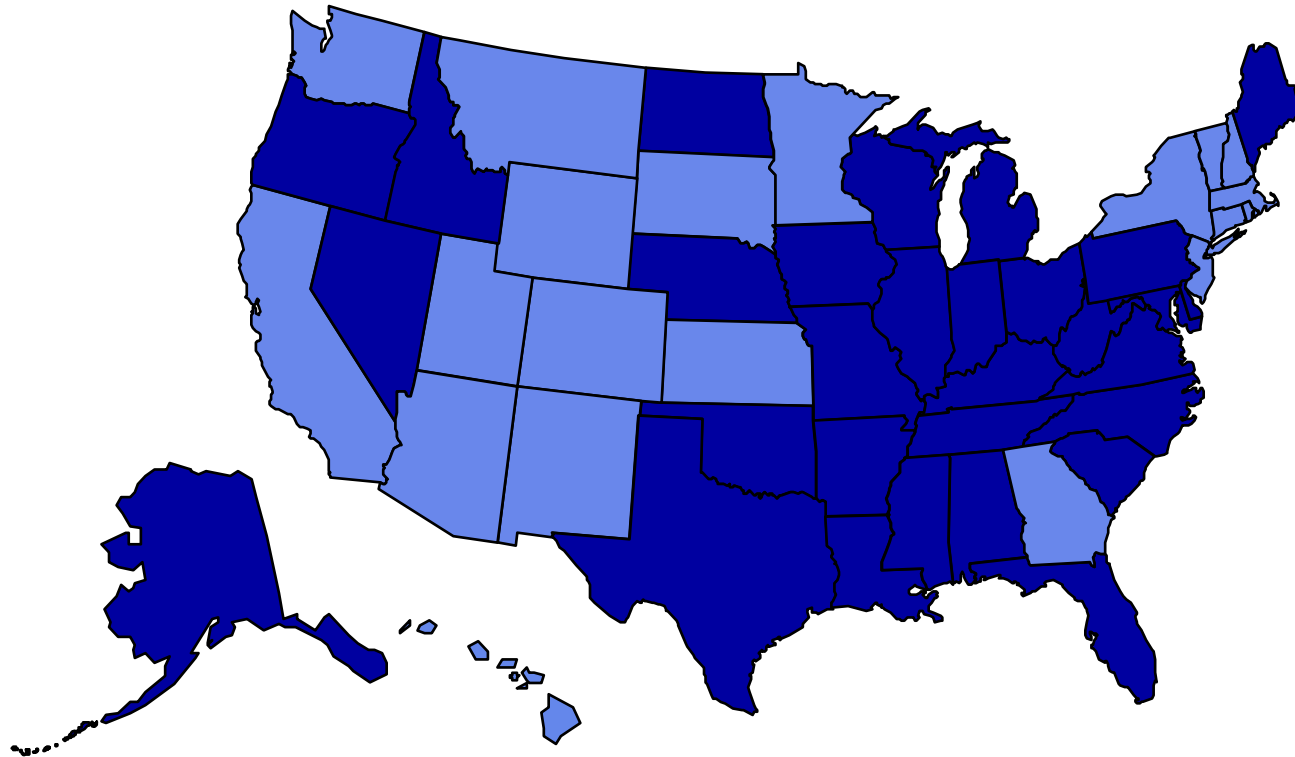


**ACTIVE  
DESIGN**

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1996

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



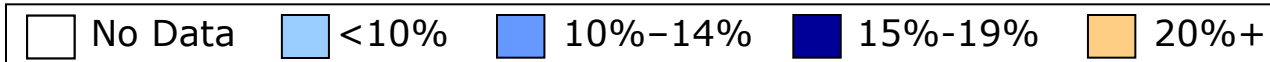
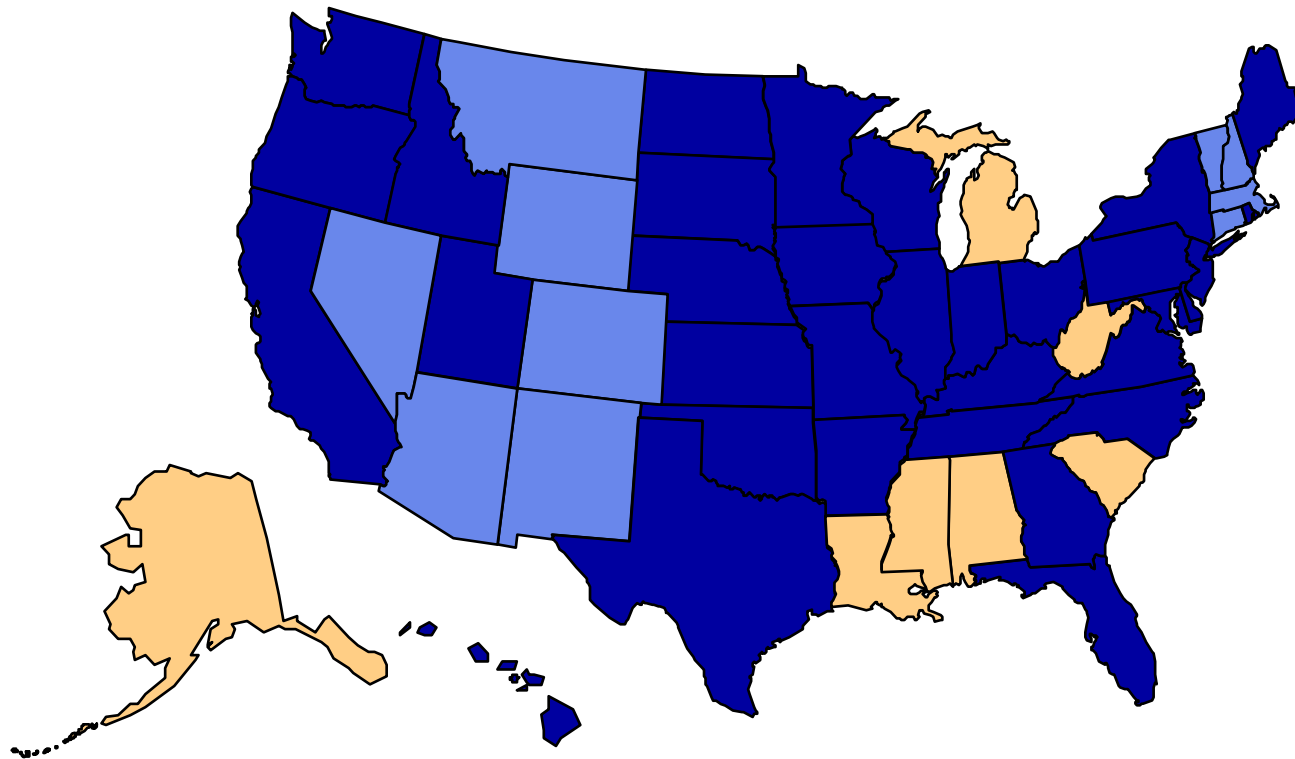
**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1998

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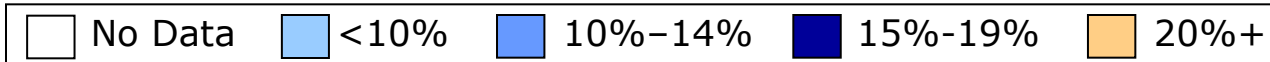
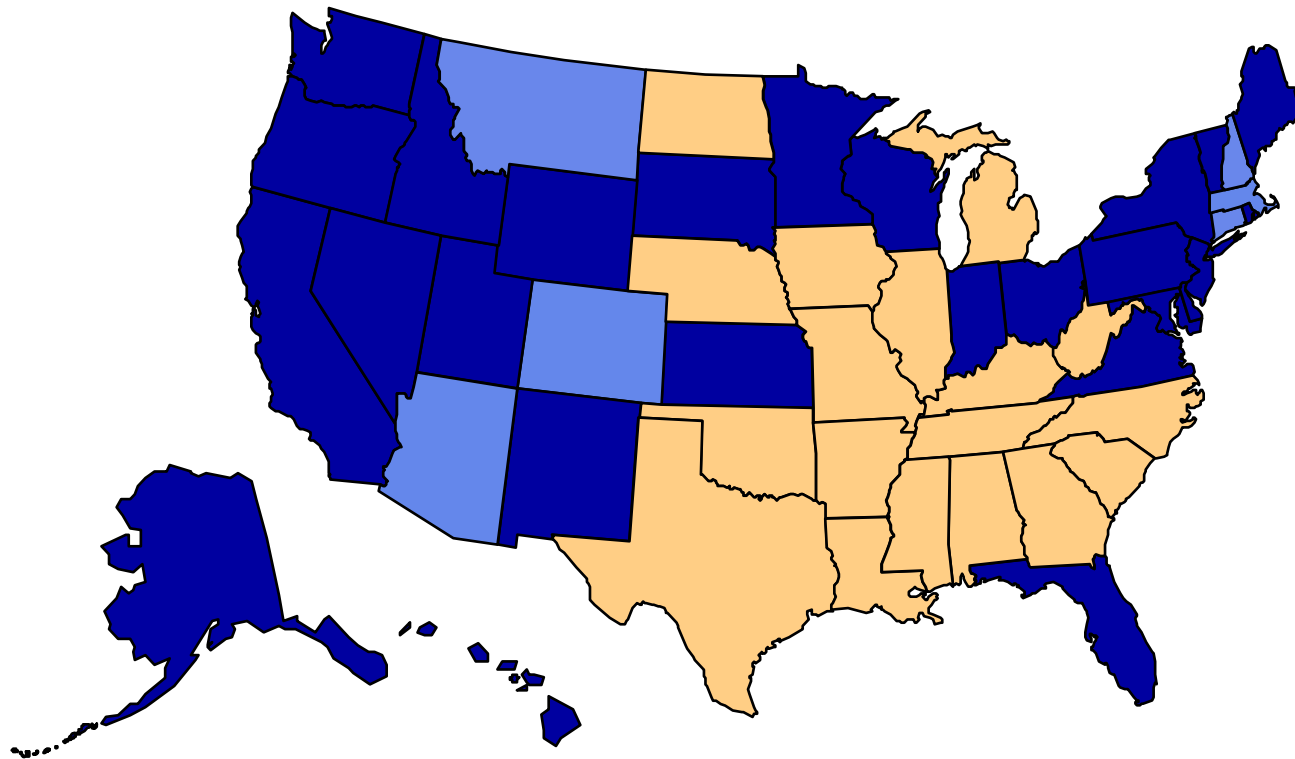


**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 1999

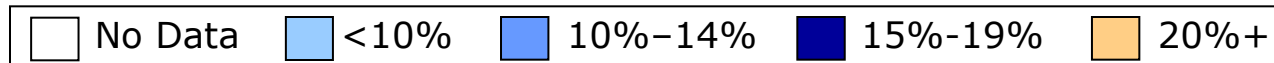
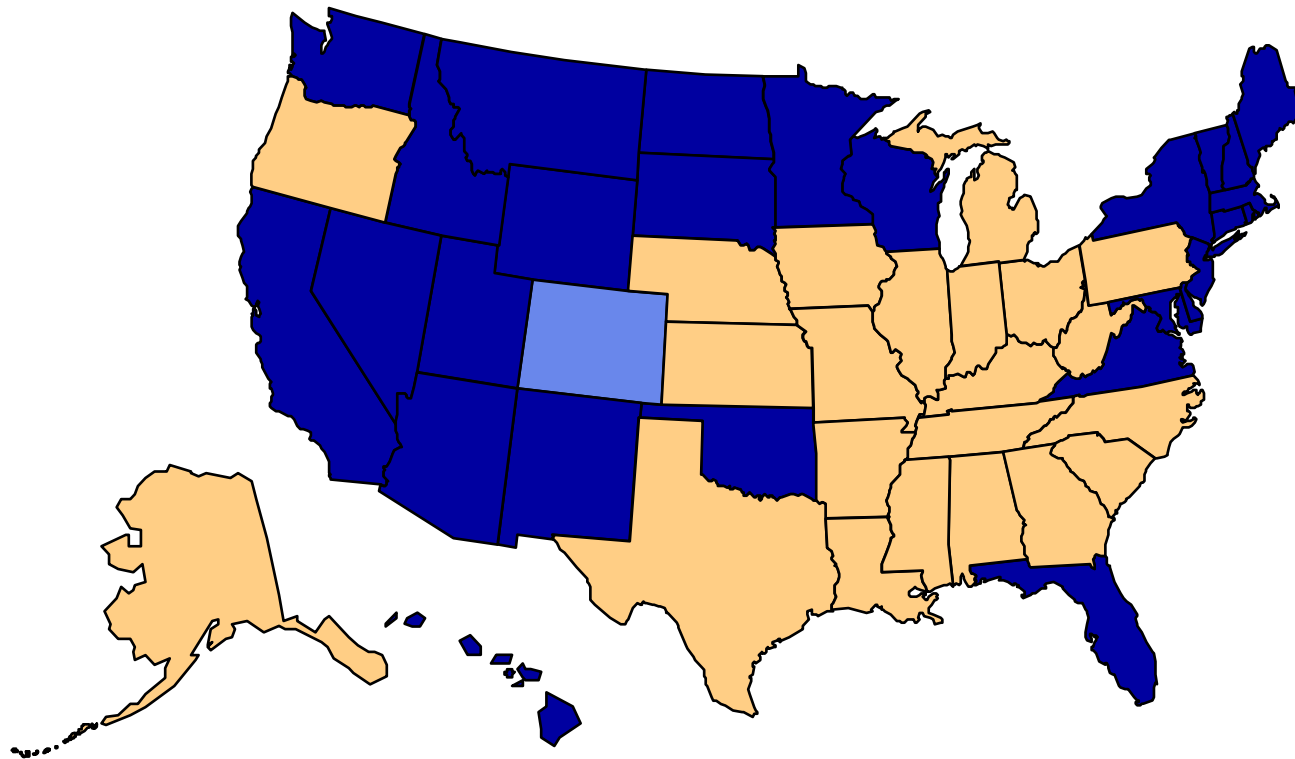
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 2000

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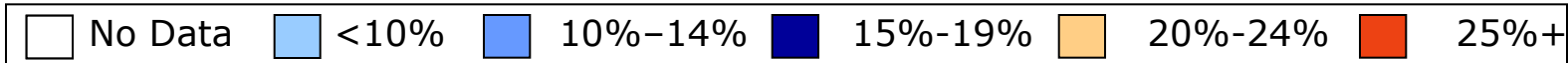
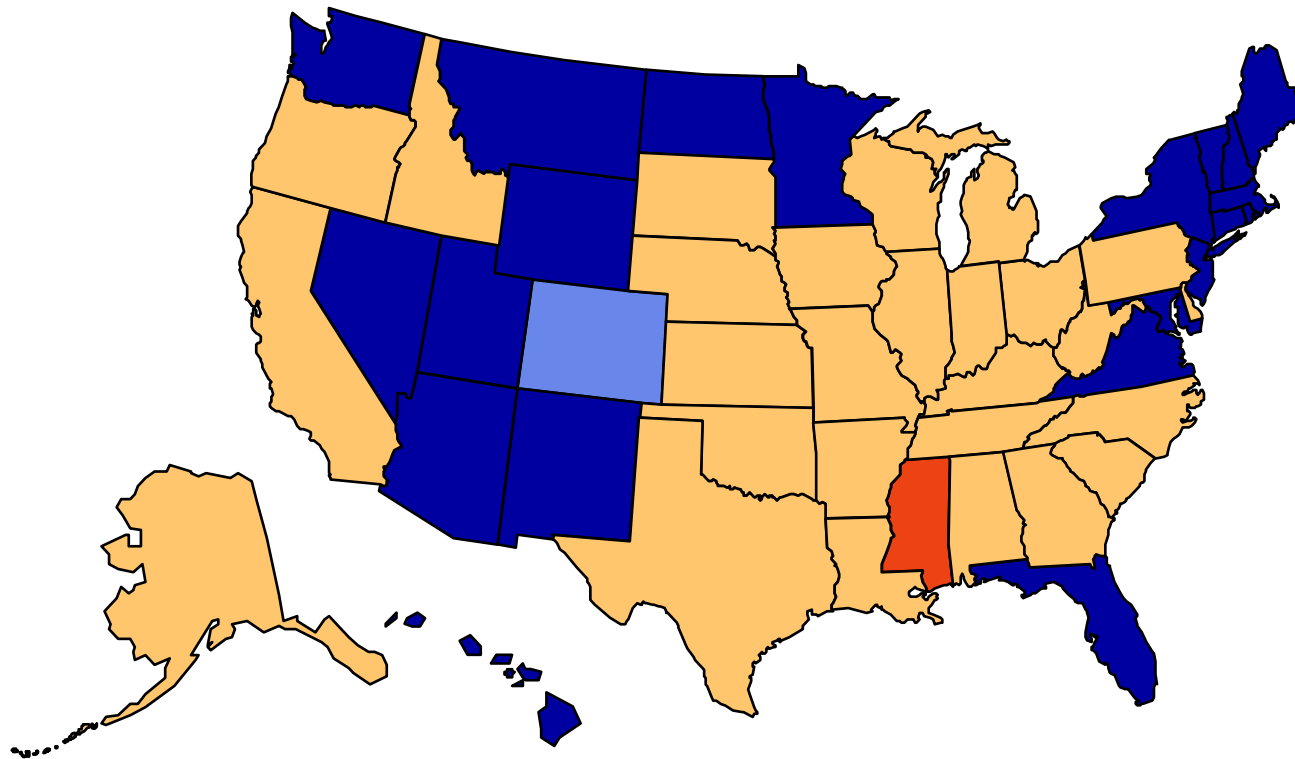


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# Obesity Trends\* Among U.S. Adults

## BRFSS, 2001

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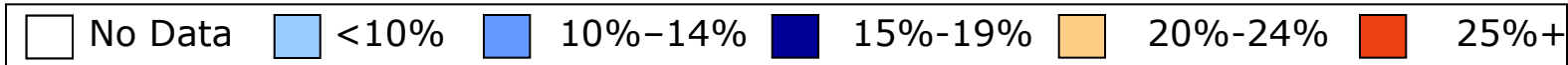
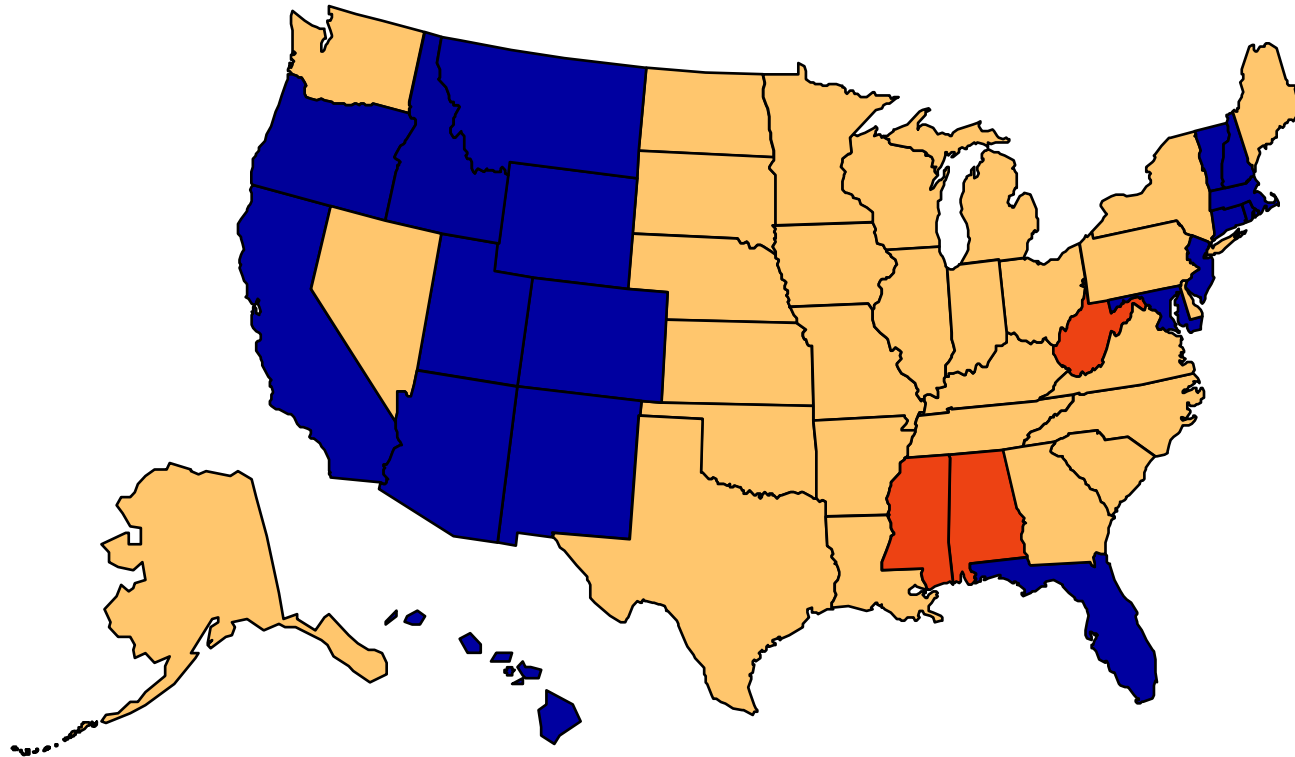


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# Obesity Trends\* Among U.S. Adults

## BRFSS, 2002

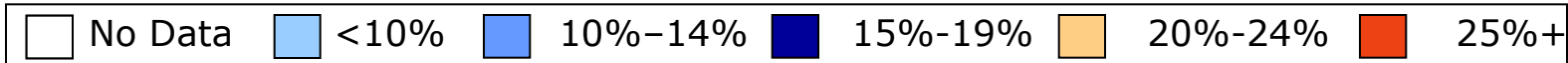
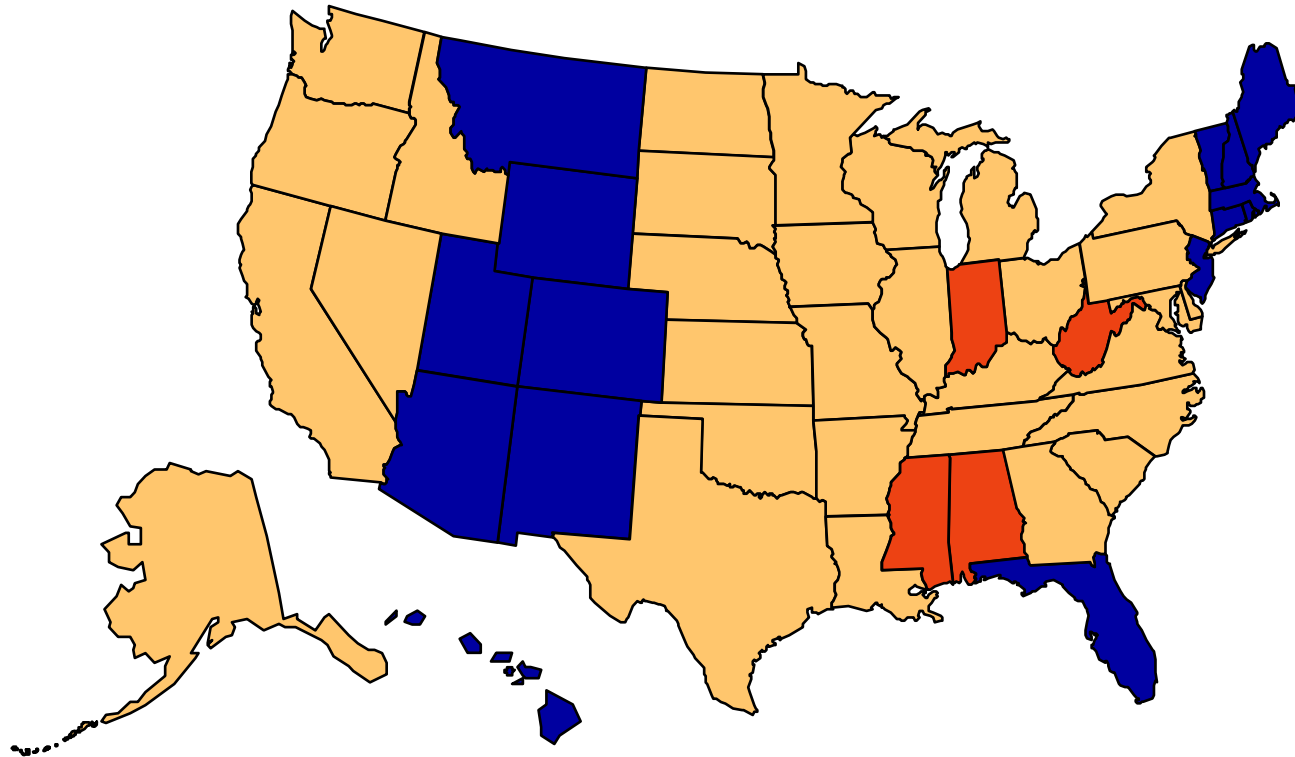
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 2003

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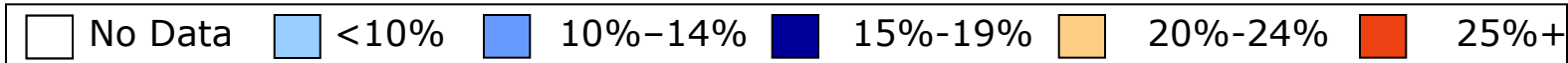
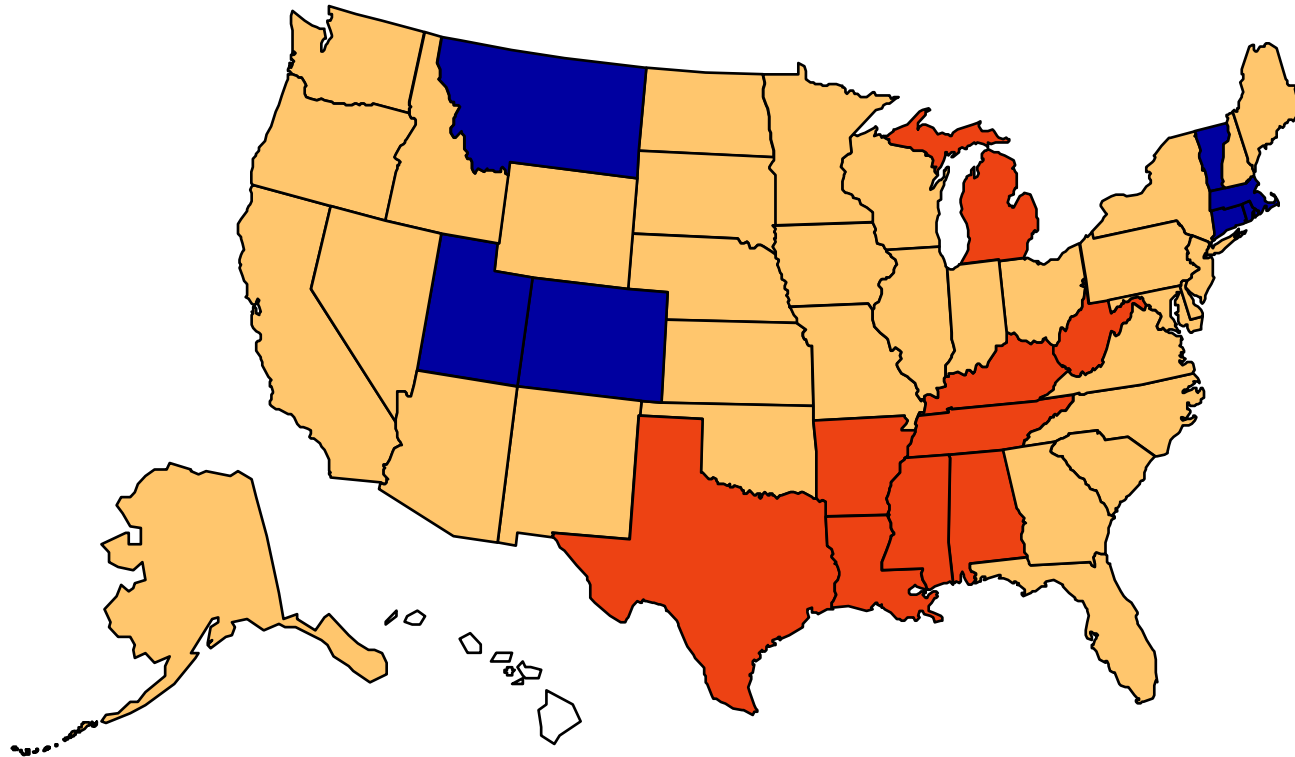


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# Obesity Trends\* Among U.S. Adults

## BRFSS, 2004

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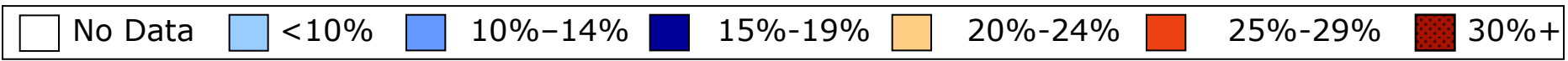
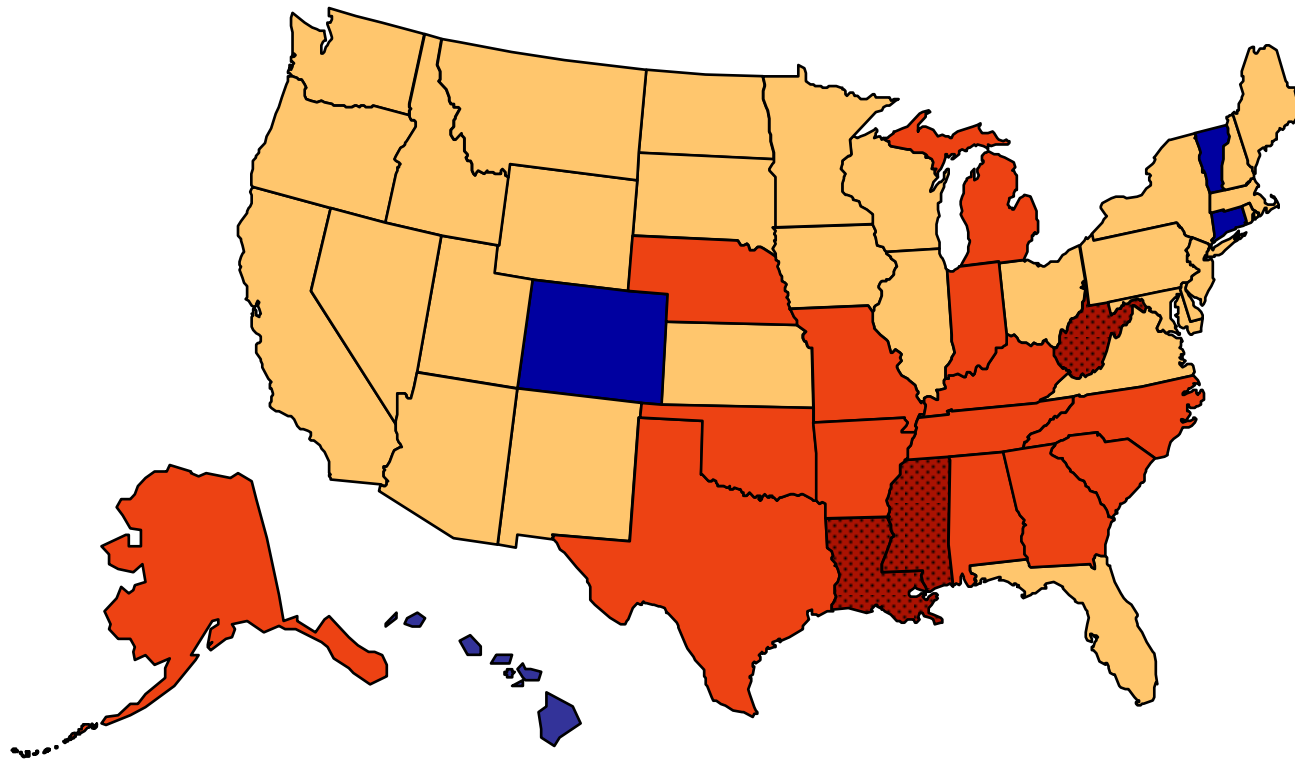


**ACTIVE  
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# Obesity Trends\* Among U.S. Adults

## BRFSS, 2005

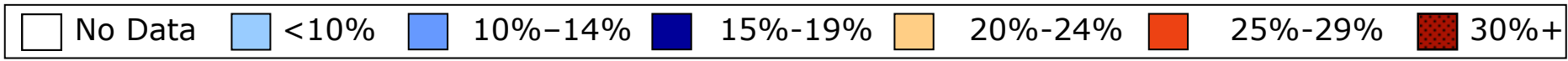
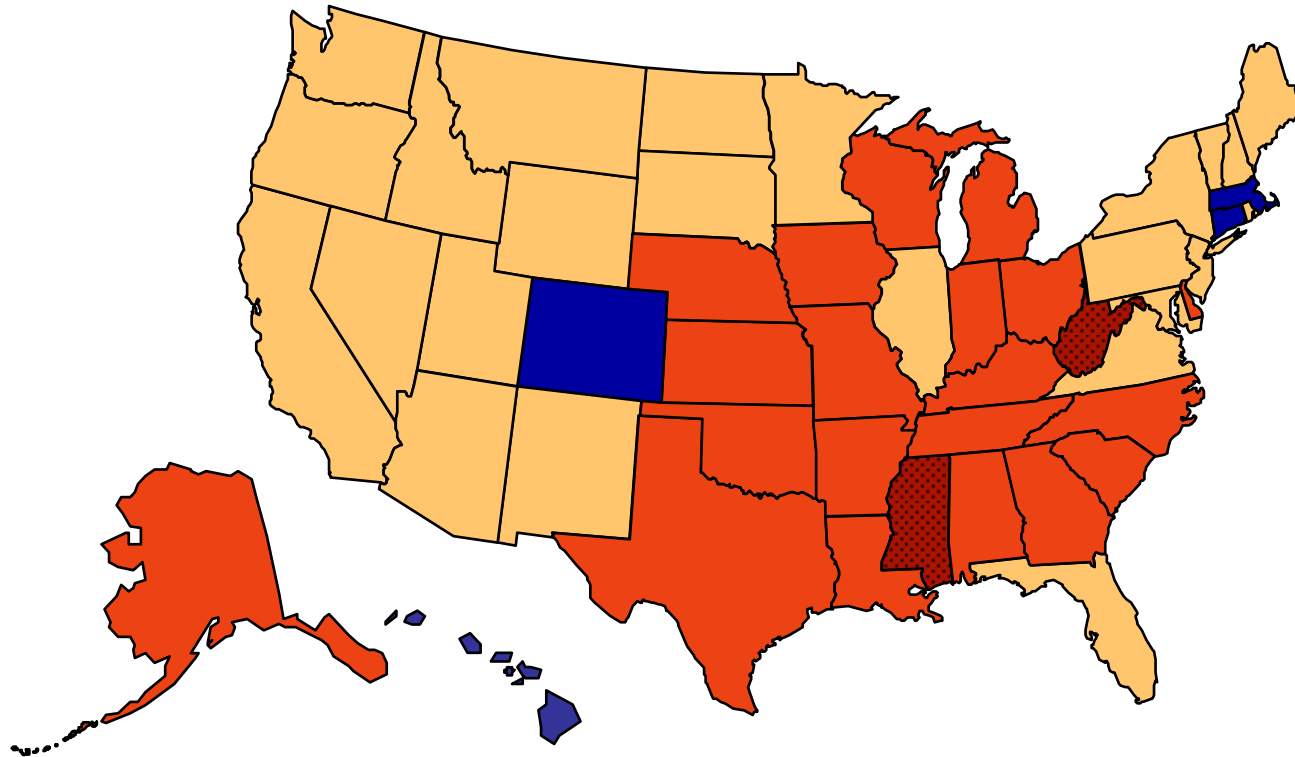
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 2006

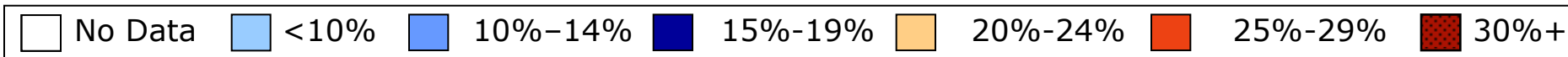
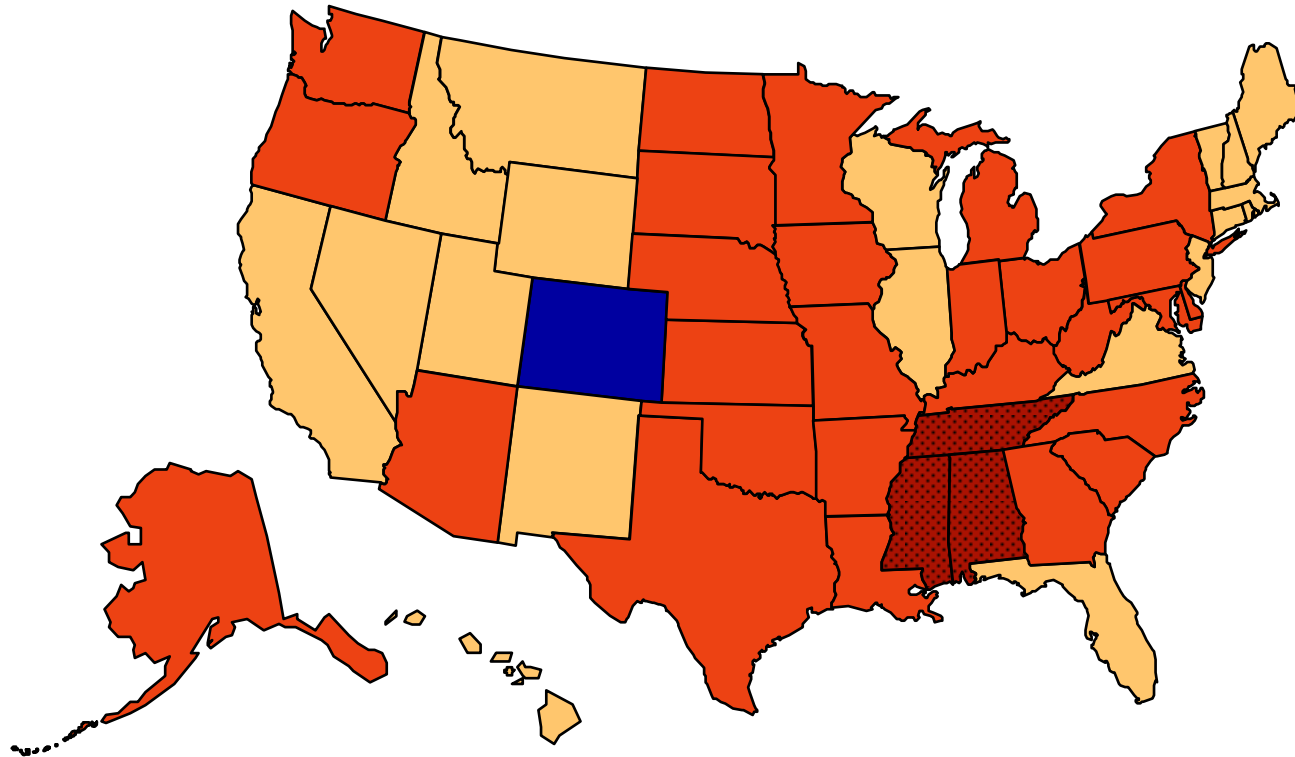
(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)



# Obesity Trends\* Among U.S. Adults

## BRFSS, 2007

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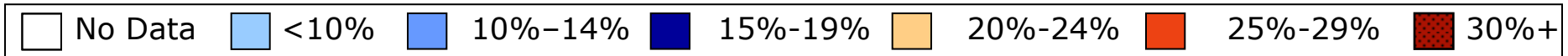
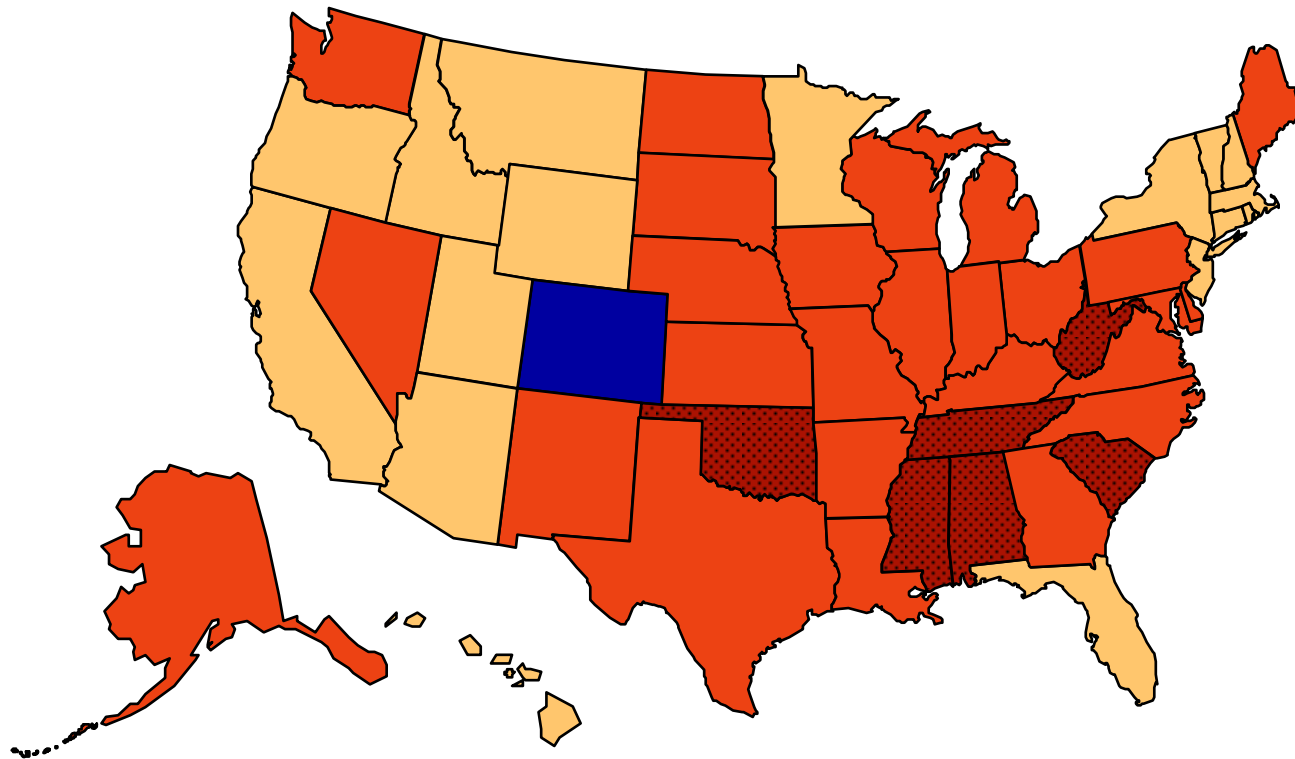


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# Obesity Trends\* Among U.S. Adults

## BRFSS, 2008

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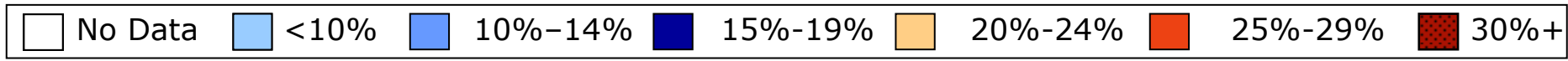
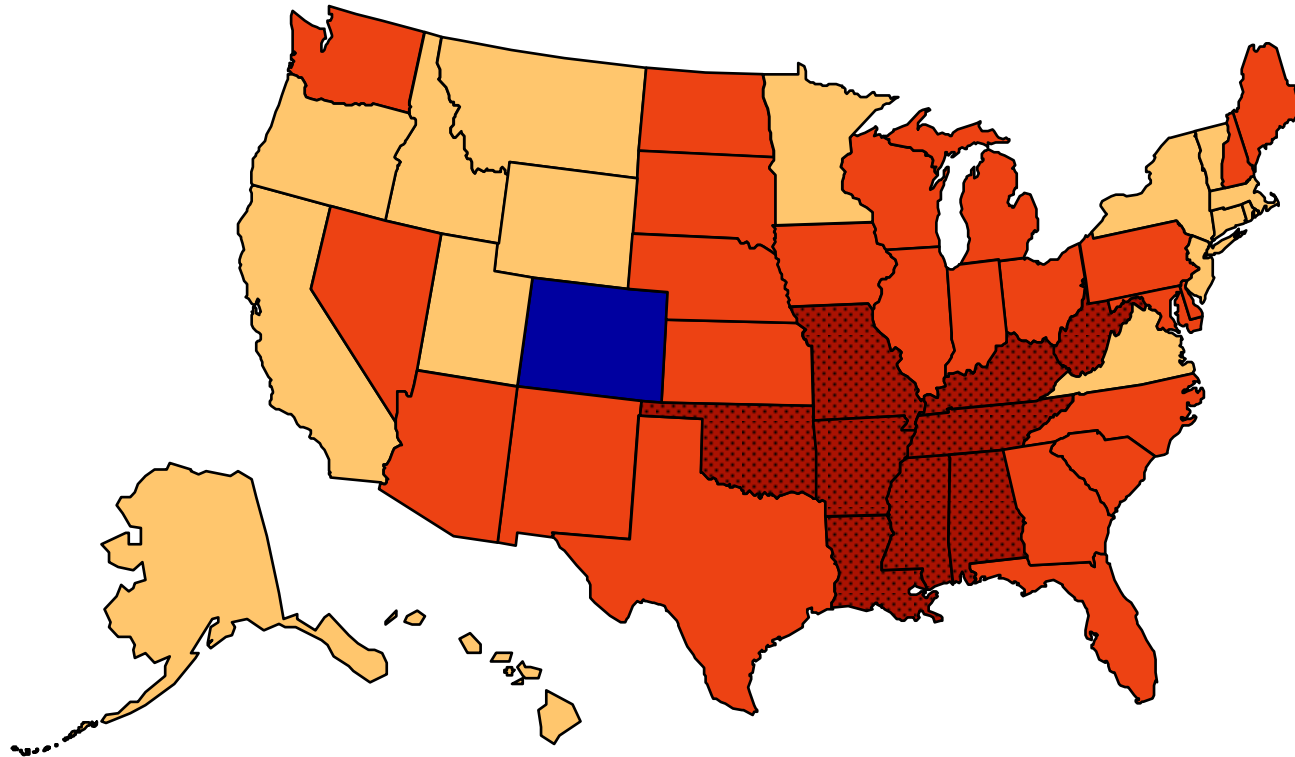


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# Obesity Trends\* Among U.S. Adults

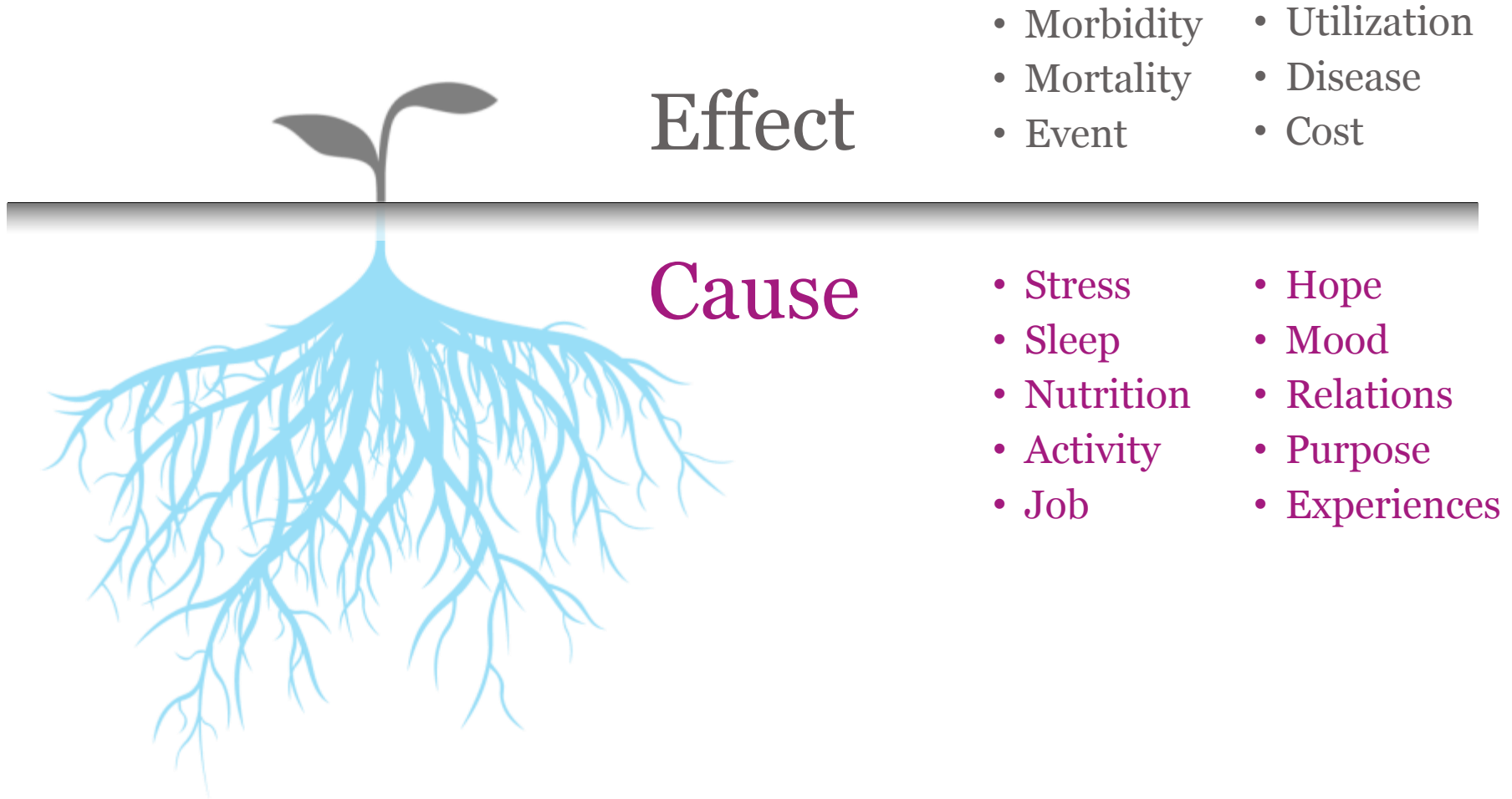
## BRFSS, 2009

(\*BMI  $\geq 30$ , or  $\sim 30$  lbs overweight for 5' 4" woman)

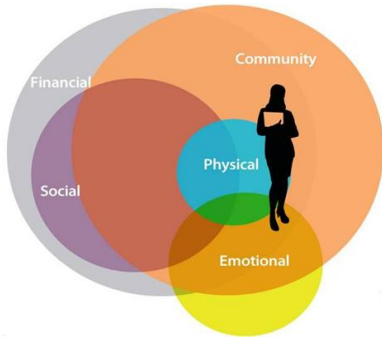


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# Addressing the Cause and Effect of Low Well-Being



# A Comprehensive Measure of Well-Being



Gallup · Healthways  
**Well-Being Index™**

## Life Evaluation

Ranking one's life today & in the future

## Emotional Health

e.g. Daily feelings; social connections, depression

## Physical Health

e.g. Chronic conditions, obesity, physical pain, cold/flu

## Healthy Behavior

e.g. Smoking, healthy eating, exercise

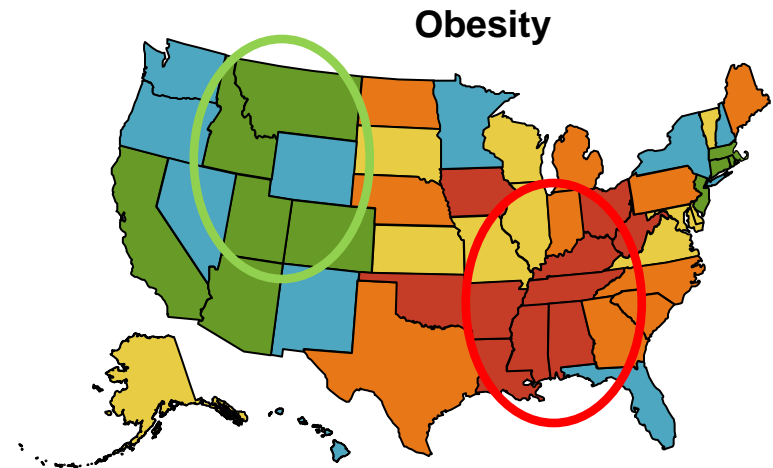
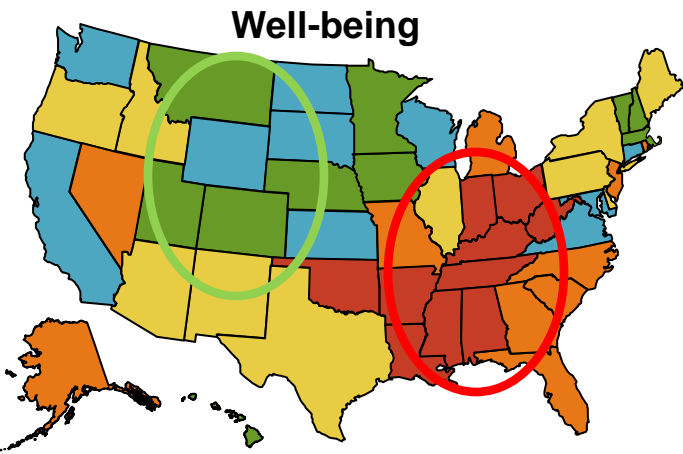
## Work Environment

e.g. Using strengths, supervisor relationships

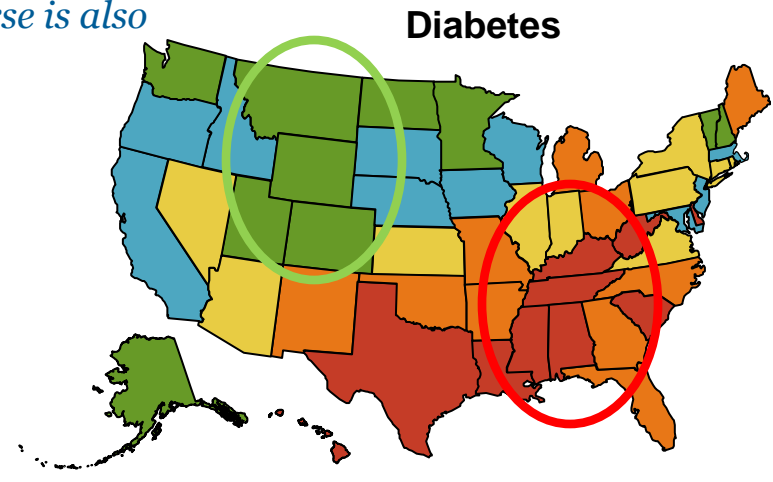
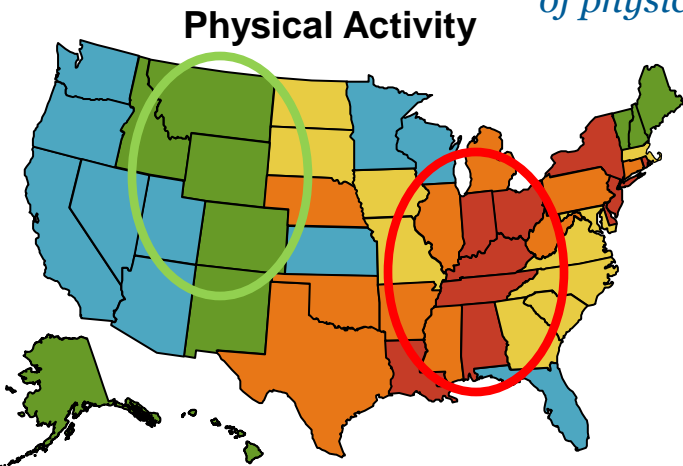
## Basic Access

e.g. Health access, community, financial

# Well-Being appears in an all too familiar pattern



*Low Well-Being correlates to high rates of Diabetes and Obesity along with low rates of physical activity. The inverse is also true.*



■ Top Quintile   ■ 2<sup>nd</sup> Quintile   ■ 3<sup>rd</sup> Quintile   ■ 4<sup>th</sup> Quintile   ■ 5<sup>th</sup> Quintile

# Designing from only one point of view...



# ...when other viewpoints matter

## State of New York Well-Being

Ranking from data collected January 2, 2011 - December 29, 2011

	2010	2011
<b>Well-Being Overall</b>	<b>65.9</b>	<b>65.7</b>
Life Evaluation	49.2	49.0
Emotional Health	78.1	78.0
Physical Health	76.7	77.1
Healthy Behavior	64.4	64.1
Work Environment	44.6	43.4
Basic Access	82.6	82.4

2010	2011
32	34
21	26
40	44
24	28
20	19
45	48
23	26

\*#1 is the top Rank and 50 the bottom

\*#0 is the bottom Result and 100 the top (see methodology for descriptions)

\*Source: Gallup-Healthways Well-Being Index Survey 2011 n = 353,492 and 2010 n = 352,840

# Gallup-Healthways Well-Being Index New York – City Rankings



		Rochester	Albany, Schenectady, Troy	Buffalo, Niagara Falls	Poughkeepsie, Newburgh, Middletown	New York, North New Jersey, Long Island	Syracuse
Population		1,054,323	870,716	1,135,509	670,301	18,897,109	662,577
Overall Rank	2011	29	101	106	118	124	129
	2010	61	93	111	66	90	130
Life Evaluation	2011	42	117	109	111	94	91
	2010	71	115	76	54	99	155
Emotional Health	2011	61	151	92	147	163	94
	2010	77	130	123	59	145	154
Physical Health	2011	46	102	84	86	54	153
	2010	125	65	147	59	48	152
Healthy Behavior	2011	60	69	155	58	80	90
	2010	27	91	115	71	59	113
Work Environment	2011	53	128	93	154	166	155
	2010	128	115	138	142	134	62
Basic Access	2011	19	31	48	70	94	98
	2010	28	36	37	63	57	73

\*Ranking of 190 Cities, following U.S. Census Bureau Definitions for Metropolitan Statistical Areas

\*Source: Gallup-Healthways Index Survey 2011, n = 353,492 and 2010, n = 352,840

\*Source: Wikipedia.org 2011, City Population

# State of Minnesota Well-Being

	2011	2012
<b>Well-Being Overall</b>	<b>69.2</b>	<b>68.9</b>
Life Evaluation	52.7	51.6
Emotional Health	81.6	81.5
Physical Health	79.9	79.1
Healthy Behavior	64.5	64.9
Work Environment	50.1	50.3
Basic Access	86.6	86.2

	2011	2012
<b>Well-Being Overall</b>	<b>3</b>	<b>3</b>
Life Evaluation	7	12
Emotional Health	5	3
Physical Health	1	3
Healthy Behavior	18	21
Work Environment	7	10
Basic Access	2	2

		Minneapolis, St. Paul, Bloomington	Duluth
Population		2,529,100	222,531
<b>Overall Rank</b>	2012	16	51
	2011	18	114
<b>Life Evaluation</b>	2012	16	34
	2011	30	159
<b>Emotional Health</b>	2012	11	14
	2011	26	28
<b>Physical Health</b>	2012	12	76
	2011	13	137
<b>Healthy Behavior</b>	2012	92	49
	2011	84	112
<b>Work Environment</b>	2012	35	134
	2011	50	75
<b>Basic Access</b>	2012	15	65
	2011	10	68

\*Ranking of 189 Metropolitan Statistical Areas, following U.S. Census Bureau Definition  
 \*Source: Gallup Well-Being Index Survey 2012 n = 253,584 and 2011 n = 253,402



# Well-Being & The Bottom Line

# PEOPLE WITH LOW WELL-BEING ARE LESS PRODUCTIVE, AND THEY KNOW IT.



## INDIVIDUALS WITH LOW WELL-BEING ARE:

**2.27x** MORE LIKELY TO HAVE A LOW  
SUPERVISOR RATING

**1.8x** MORE LIKELY TO HAVE A LOW INTENT  
TO STAY

**2.38x** MORE LIKELY TO HAVE A LOW SELF-  
RATING OF PERFORMANCE

Healthways study of a Fortune 100 client

# **COSTS ASSOCIATED WITH LOW WELL-BEING ARE STAGGERING, AND IT'S NOT JUST THE COST OF HEALTHCARE.**

**ANNUAL  
PRODUCTIVITY LOSS**

**\$227 BILLION**

**FOR EVERY DOLLAR OF  
MEDICAL COST, THERE  
IS A \$2.30 COST IN LOST  
PRODUCTIVITY.**

**\$1:\$2.30**

Source: IBI "Poor Health Costs U.S. Economy \$576 Billion According to the Integrated Benefits Institute"  
2012. *Journal of Occupational & Environmental Medicine*: April 2009 – Volume 51 – Issue 5 – pp411-428

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# INDIVIDUAL WELL-BEING CAN BE STUDIED AND MEASURABLY IMPROVED.

**↑ WELL-BEING 5%**

**2.5% FEWER UNSCHEDULED ABSENCES**

**12% LOWER PRESENTEEISM**

**2.5% HIGHER REPORTED JOB PERFORMANCE**

**3% MORE DAYS OF 'BEST WORK' IN 28-DAY PERIOD**

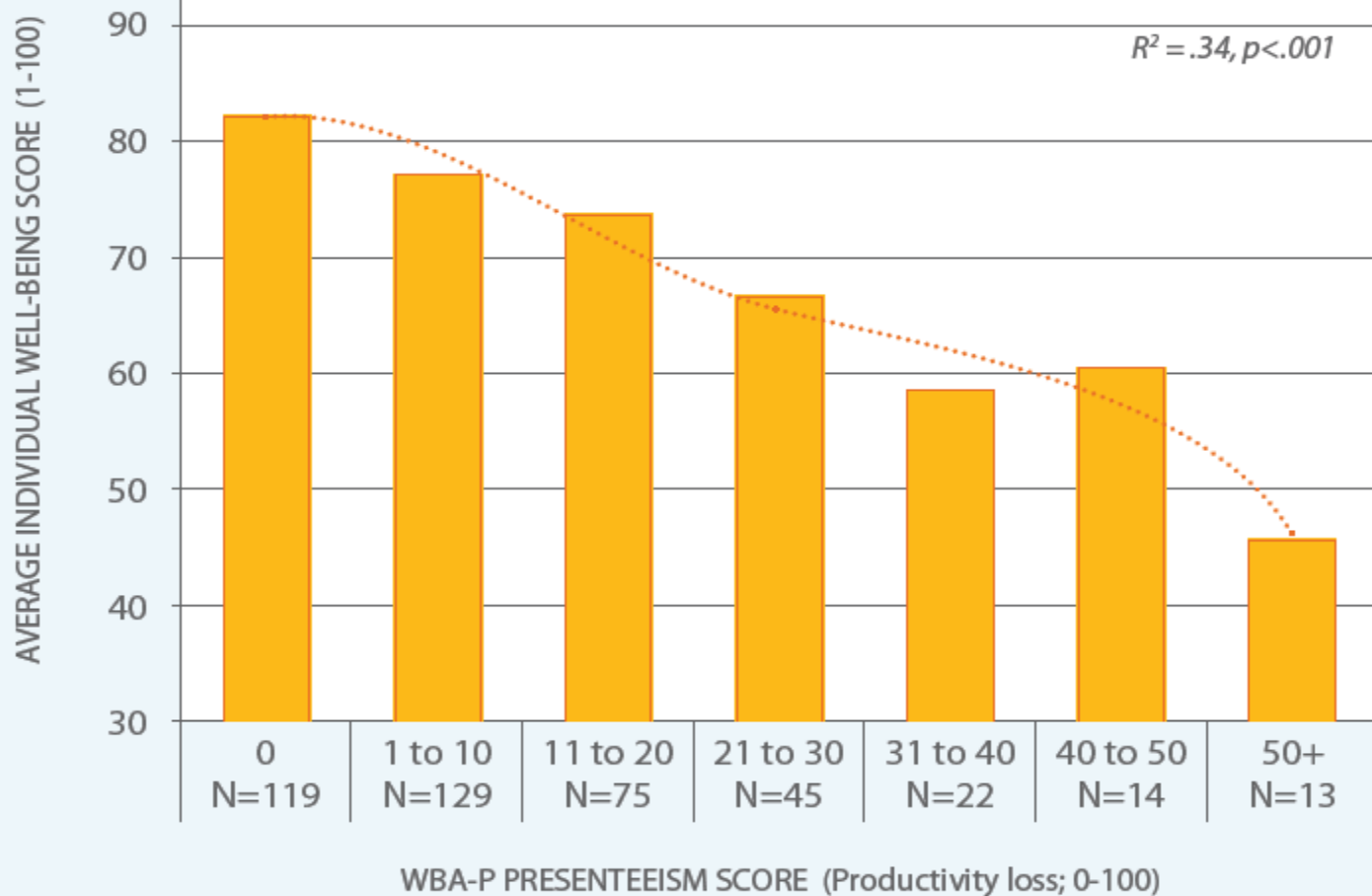
Healthways Center for Health Research. *The Science of Well-Being*. 2011;12. Pages 5-6



Key Levers:

*Individuals • Experts • Social Connections • Environment • Policy*

**WBA-P Score: "How often have you been at work but had trouble concentrating or doing your best because of [11 reasons]?"**



# PEOPLE WITH HIGH WELL-BEING ARE HIGH PERFORMERS.

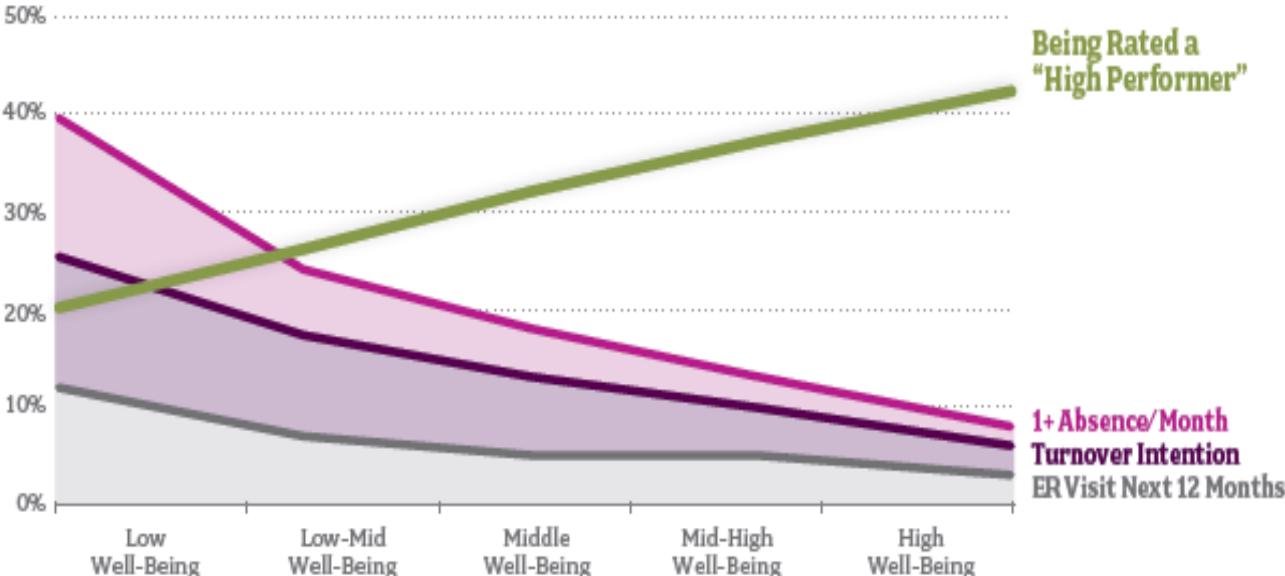
There is a direct correlation between individuals having high well-being and supervisors rating them as high performers. What's more, these individuals have fewer unscheduled absences, lower presenteeism\* and greater intentions of staying with the organization. They ultimately cost less and perform better.

\*Presenteeism is the term used to describe employees who are physically present at their jobs but experience decreased productivity because of illness or other barriers to performance.

INDIVIDUALS WITH HIGH WELL-BEING ARE:

**42%** MORE LIKELY TO BE RATED AS "HIGH PERFORMERS"

Probability of business impact based on well-being segment



Healthways study of a Fortune 50 client.

# PROVEN: WELL-BEING DELIVERS BUSINESS RESULTS.

The impact of well-being improvement on a business are multifold. Higher well-being translates to better productivity, lower costs and a higher likelihood of optimal earnings. *In short, business units with higher well-being perform better.* We've also found our well-being improvement solution to offer an average of 1.5 times return on investment. For a productive, happy workforce, that's moving forward, not falling behind, the focus must be on improving individual well-being.

## WELL-BEING DELIVERS BUSINESS RESULTS

For a Fortune-100 client, we deployed the Healthways Well-Being Assessment™ across 25 business units. Those units were then ranked and compared to the client's own internal measure of performance. The findings? *Business units with higher well-being performed better.*

Business Units, Ranked From Highest to Lowest Well-Being Score	Overall Well-Being Score							Percent at Optimal Income <small>(client's internal measure of performance)</small>
	Overall	Life Evaluation	Emotional Health	Physical Health	Healthy Behavior	Work Env.	Basic Access	% at Optimal Income
1	73.5	73.1	80.6	80.2	65.1	53.7	88.1	66.7%
2	72.4	70.4	79.7	82.4	66.3	49.5	86.0	64.5%
3	72.0	71.4	73.8	81.1	67.0	51.2	85.0	59.6%
4	72.0	69.6	78.6	78.1	65.6	52.6	88.6	39.2%
5	71.9	66.5	78.4	78.0	66.5	54.9	86.7	50.3%
6	71.8	64.5	79.1	81.5	64.9	53.9	86.9	69.2%
7	71.4	68.6	78.0	78.5	67.5	49.3	86.7	47.9%
8	71.2	67.7	80.0	81.7	64.4	49.1	84.5	51.4%
9	70.6	60.7	76.5	80.2	66.5	51.9	85.4	44.9%
10	70.6	65.8	79.6	77.6	62.6	54.4	86.0	41.6%
11	70.0	63.9	76.2	80.3	63.6	48.5	87.4	55.6%
12	69.7	58.0	76.5	78.4	68.4	53.2	83.6	63.6%
13	69.6	62.5	75.0	79.0	65.0	50.0	86.0	56.2%
14	69.2	64.7	77.5	76.8	62.6	46.0	87.9	51.8%
15	69.1	60.8	76.8	78.1	61.9	52.2	85.0	39.3%
16	68.6	61.6	75.5	76.8	65.2	46.4	86.2	51.8%
17	68.6	59.6	76.3	80.3	66.4	44.4	84.8	41.6%
18	68.1	59.9	77.9	78.9	61.5	45.3	85.0	40.8%
19	67.8	58.0	75.7	78.1	63.9	43.4	87.7	57.2%
20	66.3	58.3	74.7	76.4	59.2	46.0	83.3	31.7%
21	66.2	52.4	75.0	76.9	61.1	45.4	86.5	37.9%
22	65.8	59.1	76.4	75.8	53.4	45.6	84.2	28.4%
23	65.7	57.3	73.9	76.8	61.7	40.1	84.0	36.6%
24	65.5	56.8	76.3	76.7	56.8	43.2	83.4	28.3%
25	64.5	52.5	73.0	75.3	60.2	42.4	83.8	26.8%

# Cost of Lost Productivity Per year by Major U.S. Occupations

<b>Profession</b>	<b>% Above normal weight or 1+ chronic conditions</b>	<b>Extra missed work days each month among those with subpar health</b>	<b>Cost of lost productivity per year due to absenteeism (in billions)</b>
Professional	74.8	0.30	\$24.2
Manager/Executive	78.8	0.29	\$15.7
Service Workers	76.4	0.31	\$8.5
Clerical or office	76.5	0.39	\$8.1
Sales	75.2	0.29	\$6.8
School teachers (K-12)	72.6	0.30	\$5.6
Nurses	73.7	0.36	\$3.6
Transportation	86.0	0.41	\$3.5
Manufacturing/Production	82.0	0.24	\$2.8
Business Owners	79.2	0.34	\$2.0
Installation or repair	83.0	0.23	\$1.5
Construction or mining	80.5	0.11	\$1.3
Physicians	67.9	0.04	\$0.25
Farmers, foresters, fishers	78.8	0.08	\$0.16

# The Well-Being Value Proposition

