



Worksite Wellness At MillerCoors

*“BEER IS PROOF THAT GOD LOVES US”
– BEN FRANKLIN*

August 2012



Who MillerCoors Is

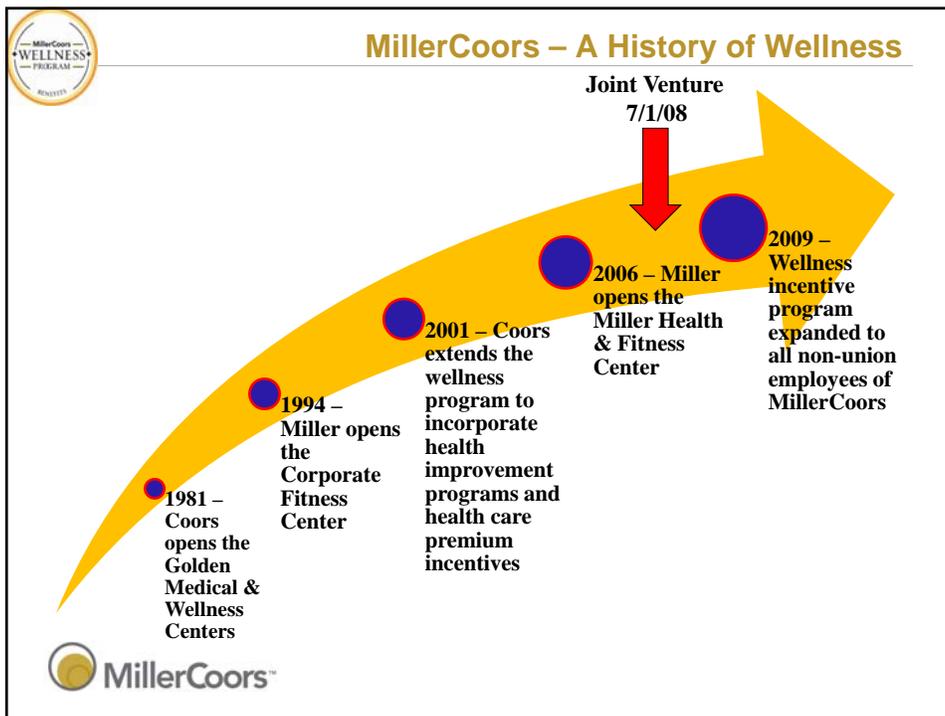
- Second largest beer brewer in the United States
- The result of a July 1, 2008 joint venture between Molson Coors and SABMiller PLC
- 8500 employees
 - Operating facilities in eight states (average size approximately 550 employees)
 - Sales and marketing in all 50 states
- Both union and non-union employees
- Approximately \$122 million in annual health care spend for both active and retired employees



Wellness Defined

- An active process through which people become aware of, and make choices towards, a more successful existence.

- Jessica Sapp – LiveStrong.com





Disappointing Results

- In spite of its history of wellness, the percentage of employees completing the Coors wellness incentive program declined from 70% when first introduced to less than 30% in 2009.
- The Miller Health and Fitness center failed to generate enough utilization to break even over its first 4 years.



Wellness Program Myths and Reality

- | | |
|---|--|
| <ul style="list-style-type: none">• Myth<ul style="list-style-type: none">– People want to be healthy– If you build it they will come– ROI is easily measured | <ul style="list-style-type: none">• Reality<ul style="list-style-type: none">– People don't want to be sick– Unlike horses, you need to lead people to wellness and make them drink – again and again– As long as you believe the numbers, so will I |
|---|--|



Why Employers Care

- Employees with health risks cost money*
 - High cholesterol \$ 892/year
 - High blood pressure \$1,278/year
 - Obesity \$2,347/year
 - High glucose \$2,851/year
- A 2011 Gallup poll of 11,000 employees estimated that unhealthy workers cost US employers \$153 billion/year in lost productivity

*Health Enhancement Research Organization



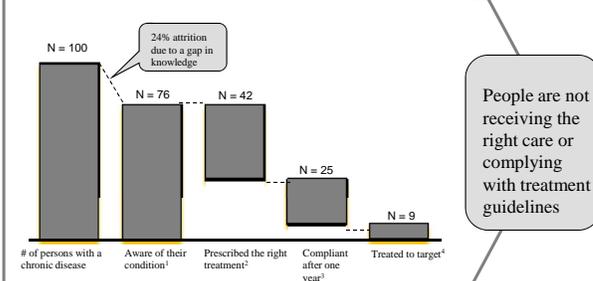
The National Landscape

Compelling reasons exist for employers to seek innovative solutions to actively engage employees in their health care

Market forces

- The aging workforce is increasingly less healthy
- Primary care physician shortages will increase as 33 million individuals enter the insured "system"
- Cost shifting will continue to the private sector
- The excise tax is looming for 2018

Clinical Pathway of Attrition



¹ American Diabetes Association: <http://www.diabetes.org/diabetes-basics/diabetes-statistics/>

² Rand Corporation *U.S. Health Care: Facts About Cost, Access, and Quality*

³ Cramer JA, et al. The Significance of Compliance and Persistence in the Treatment of Diabetes, Hypertension and Dyslipidaemia: A Review. *Int J Clin Pract* 2008 January; 62(1): 76-87.

⁴ CDC: National Health and Nutrition Examination Survey (NHANES)



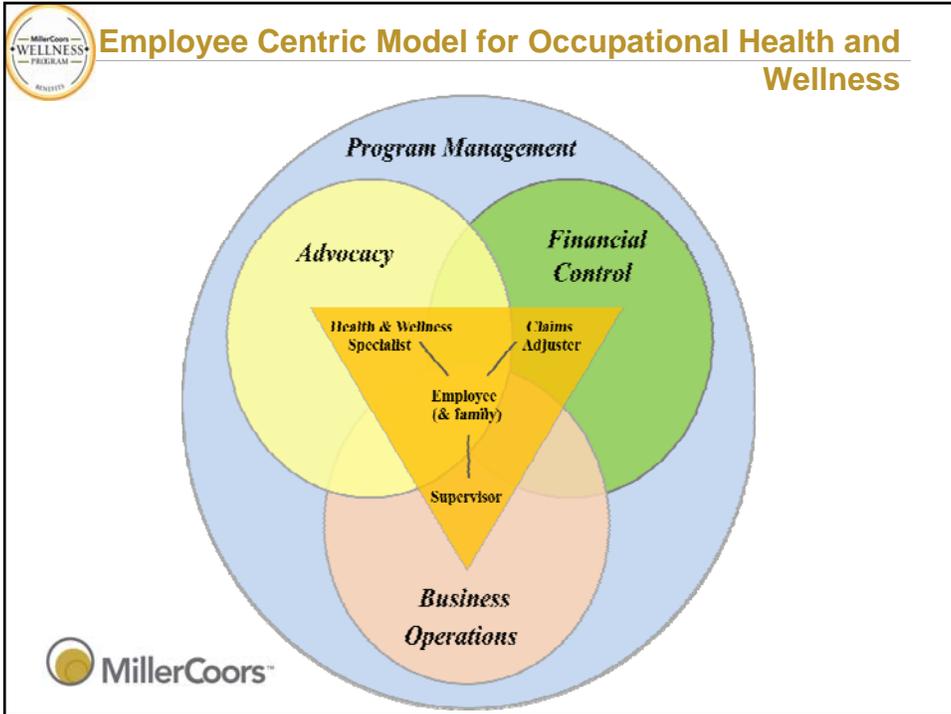
MillerCoors Occupational Health and Wellness Program



Goals of the MillerCoors Wellness Program

- Create an infrastructure that puts the employee's health and well-being first
 - Organizational Structure
 - Leadership
- Engage employees in their own health
 - Know your numbers
 - Incentives (and disincentives) work
 - Communication is key
- Reduce long-term health care costs and increase productivity through a reduction in lost work time





- Wellness Program Components**
- Wellness incentive program provides \$600 reduction in 2013 health care premiums if employees complete:
 - 1) Biometric Screen (know your numbers)
 - 2) On-line Health Risk Assessment
 - 3) One out of three health improvement programs accomplished between April 1 and August 31:
 - 1) Walk this Way - 735,000 steps (5,000 per day)
 - 2) Workout for Wellness - 80 thirty minute workouts (4 per week)
 - 3) Health Coaching (accomplish 3 individualized goals)
- The MillerCoors logo is located in the bottom left corner of the slide.



Wellness Program Support

- Onsite Medical & Fitness Centers in Golden and Milwaukee as well as smaller facilities at most breweries
- \$500 per annum fitness club reimbursement for employees not able to access onsite fitness center
- Infant Care Support Program
 - Child Seats
 - Breast Pumps and onsite lactation rooms
- Various individual programs mainly designed (and funded) locally
 - Weight Watchers/Biggest Loser
 - Boot camp
 - Flu shots



2011 Wellness Participation Results

- Approximately 80% of our eligible population has participated in at least one wellness activity but very few actually completed all the requirements to achieve our wellness incentive.
- In 2011, 2056 employees (37% of eligible population) earned the \$480 annual incentive for 2012, an increase of 31% from 2010.
 - 1106 completed the Walk This Way Program
 - 968 completed Workout for Wellness
 - 206 completed Health Coaching
- Employees who completed the health assessment & biometric screenings in both 2010 and 2011 have shown a 12.6% reduction in their number of health risks.





Estimated Financial Results

Program Component	Estimated Savings
Golden Medical Center	\$1.45/\$1.00
Milwaukee Medical Center	\$1.00/\$1.00
Wellness Program Administration	???

Program savings at this point does not effectively measure our reduction in absenteeism nor reduction in health care trend.



What Good Looks Like

	Best Companies	MillerCoors Non-Union	MillerCoors Union
Health Risk Assessments	90% employee participation	50% employee participation	Not offered
Biometric Screenings	90% employee participation	50% employee participation	Not offered
Tobacco Use Rate	10% or less	9% of employees taking HRA	Unknown
Modifiable Risk Factors	50% of employees have 2 or fewer	78.5% of those taking biometric screenings	Unknown

Source: Towers Watson



Where MillerCoors Is Going

- Work environment is part of the solution – leverage our Advocacy Model to create a new social norm for health and safety
- Expand wellness to our unionized employees
- Find ways to better leverage our onsite medical clinics to engage people in their own health
- Create better measurement techniques for ROI
- Consider competition among senior leaders and employees
 - Competition is fun and motivational
 - Consider linking facility based financial incentives to facility health improvement
- Focus on work performance and the link between health, absenteeism, productivity and individual long term wealth
- Nothing stays the same, launch, learn, repeat

