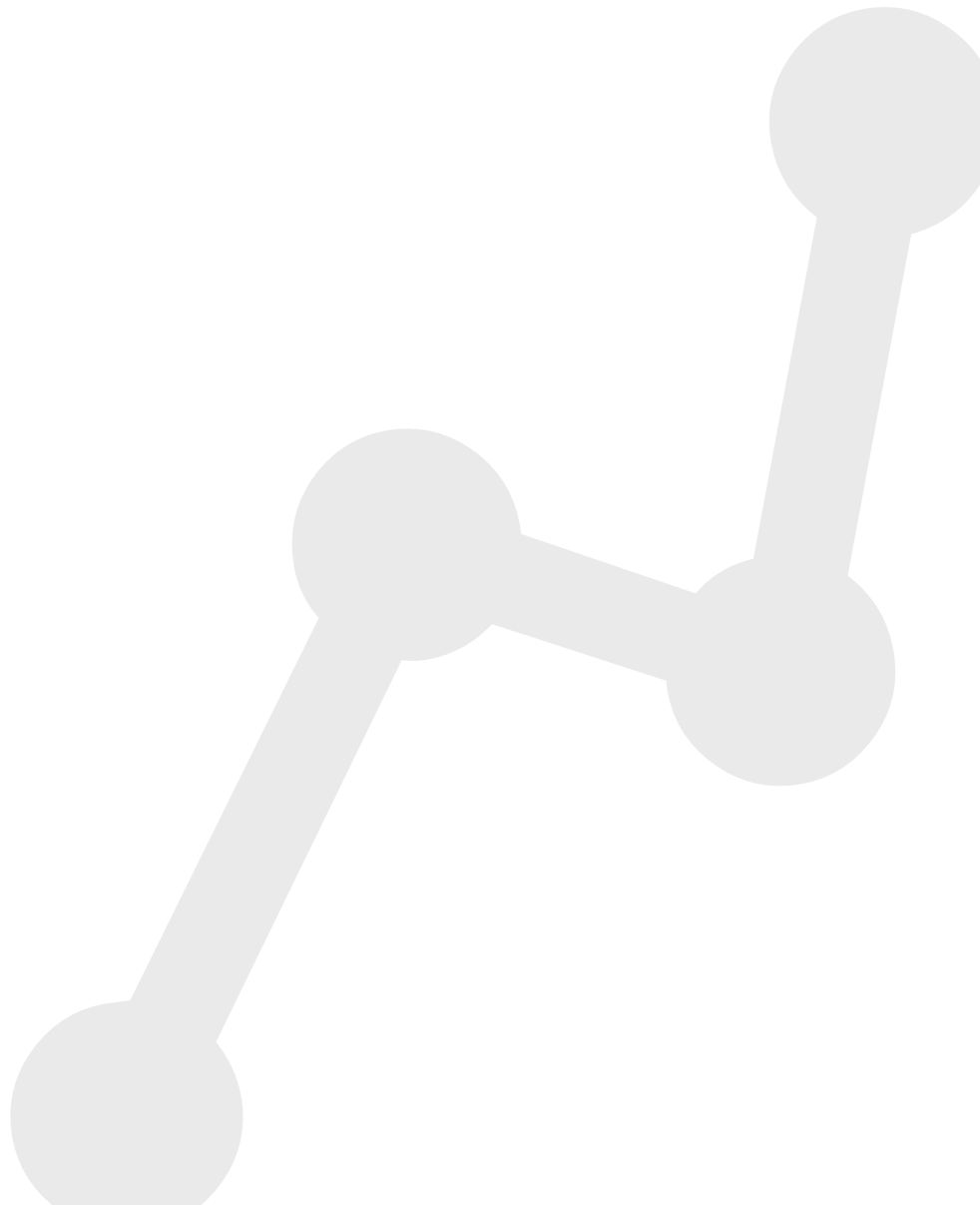


Case Studies



CASE STUDY: Long-run cost savings

CLIENT

Spancion, Inc. (Sunnyvale, CA)



THE SITUATION

Prior to joining the Sonic Boom program, Spancion's healthcare costs had increased by 20% in each of the preceding three years.

THE REMEDY

- Secure executive support for wellness, and initiate relationship with Sonic Boom
- Form wellness committee (with SuperChamps!) to promote and energize the program
- Deploy a wide variety of challenges and contests (many validated by activity-tracking devices)
- Host stimulating Wellness Fairs and International Wellness Days to engage employees at all locations (and across all departments)
- Incorporate Wellness Credits as rewards for program participation and achievement of goals

THE RESULTS



of employees remain engaged after more than 3 years with Sonic Boom



average daily time employees are physically active



reduction in annual cost increases — from 20% per year to just 5%

“ In the long run, the program has saved us more than it's cost us. ”

“ I think the best part of the Sonic Boom program is the excitement of the employees who participate. The previous program was just very low key and didn't have a lot of interest or excitement around it. **”**

Kathy Reck, Benefits Manager

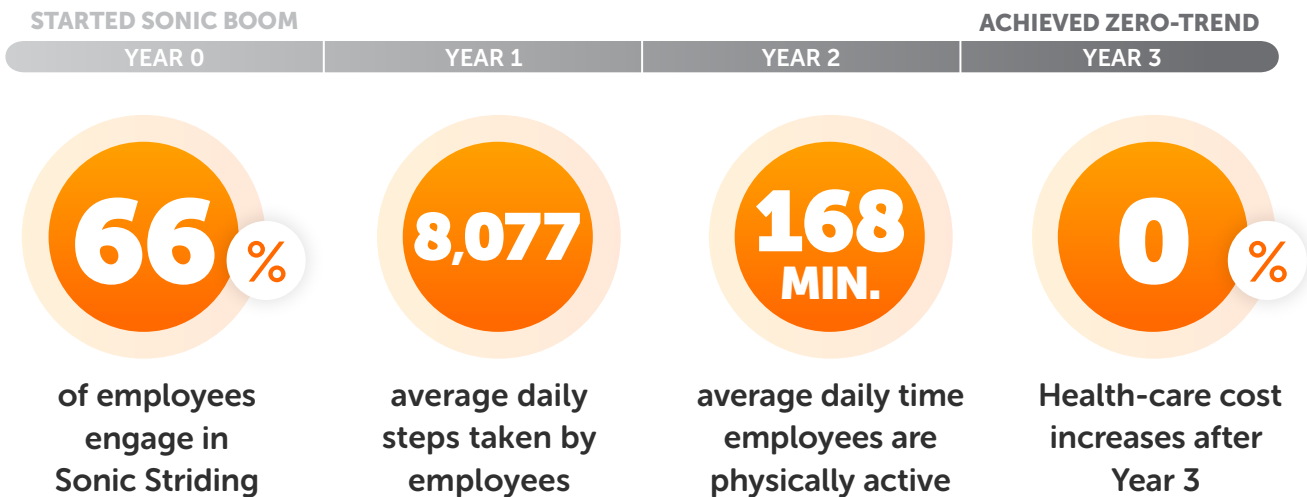
CASE STUDY: Achieving zero-trend

CLIENT **Bismarck Public Schools** (Bismarck, ND)

THE THEORY

Sustained engagement in health-habit improvement – specifically increased physical activity – leads to improved employee health, which leads to reduced healthcare expenses for employers.

THE RESULTS



Bismarck is self-funded and takes recommendations from BlueCross BlueShield regarding annual premium increases relative to rising healthcare costs. After 3 years with Sonic Boom, BCBS advised that no premium increase was necessary because Bismarck's healthcare costs hadn't gone up ... in large part due to participation in the Sonic Boom program.

“ We were optimistically anticipating something in the range of 6-8% because of all the positive things we have going on around here. Needless to say we were thrilled to hear that we had achieved zero-trend. ”

Lisa Kudelka, HR Manager

Additional savings: Before starting with Sonic Boom, 20-25 employees surpassed Bismarck's \$100,000 individual stop-loss insurance cap each year. After two years with Sonic Boom, Bismarck had only 10 employees reach this high-risk coverage plateau.

CASE STUDY: Four-year rate cap at 50% of trend

CLIENT **Healthy Lifestyles Co-op** (Wisconsin)

BACKGROUND

The Healthy Lifestyles Cooperative was a fully insured pool of 7 Wisconsin employers. Working with the Co-op and an independent actuary, Sonic Boom structured an arrangement with Humana Health underwriters that put rate-cap guarantees in place if users achieved strict physical-activity goals within the Sonic Boom / Sonic Striding program. Employees were also required to complete the Humana HRA and biometric screening each year. The rate-cap negotiations stipulated:

If ____% of members achieve the activity goal...	25%	40%	55%	70%	90%
...then rates will not increase by more than ____%	15%	9.25%	8%	6%	4%

ACTIVITY GOAL



5,000 steps OR **180 minutes** of activity per day, for **100 days** or more per year
Goals validated by Sonic Boom's activity-tracking devices and software

THE RESULTS

73%
of employees achieved the physical-activity goal each year...

...resulting in a rate-cap guarantee held at

6%

12%
average premium increase in the same geographic area for this time period

Over 4 years, rates for the Sonic Boom Co-op Pool increased by only

26%

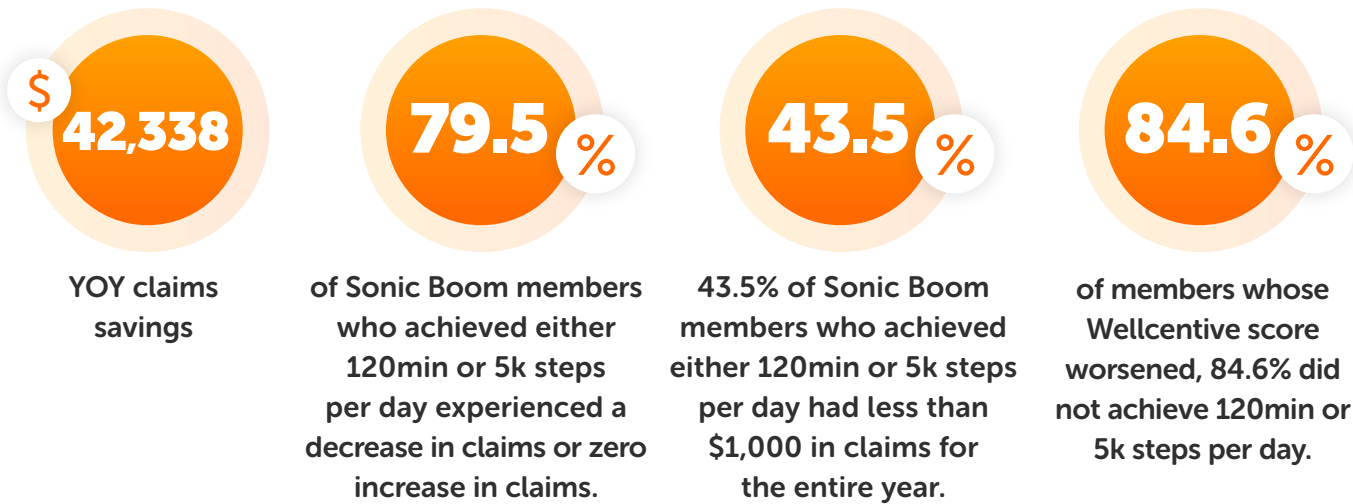
57%
increase in rates for other employers

CASE STUDY: Activity-based claims reduction

CLIENT SSI - Super Store Industries

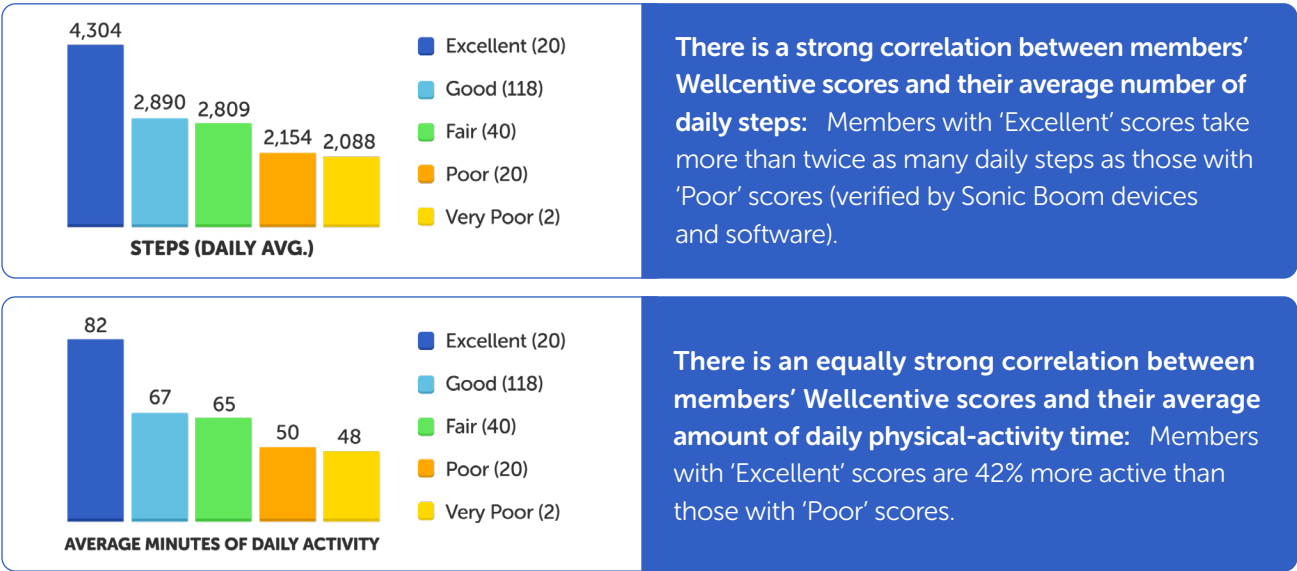
THE RESULTS

Analysis indicates greater physical activity levels, as validated by the Sonic Boom program, correlate to higher Wellcentive scores (biometrics results), which result in lower claims. SSI's daily activity goal is 🕒 **120 minutes** or 🚶 **5,000 steps** per day.



STUDY

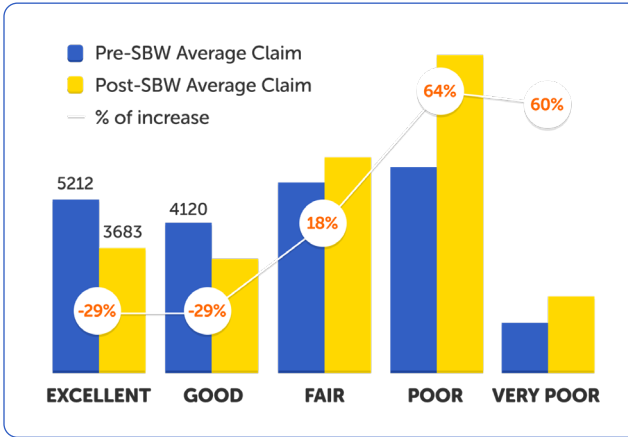
The client created a **"Wellcentive"** score for each employee based on 11 biometric values, including cotinine testing (to validate tobacco use).



CASE STUDY: Activity-based claims reduction

CLIENT SSI - Super Store Industries (cont.)

STUDY (cont.)



After their first year with Sonic Boom, claims within the 'Excellent' and 'Good' categories **decreased by an average of \$1,228 per employee**, while claims within the 'Poor' and 'Very Poor' categories **increased by an average of \$4,107 per employee**.

YOY claims reductions outweighed claims increases for total savings of \$42,338. See details below.

Wellcentive Score	Excellent	Good	Fair	Poor	Very Poor	YOY savings: \$42,338
Employees in range	20	118	40	20	2	
Total change in claims	\$30,580	\$138,886	\$37,760	\$88,540	\$1,826	

NOTE: Many employees who are in poor health do not visit their doctors, and therefore experience little-to-no claims until a serious health issue arises. More employees in the 'Poor' and 'Very Poor' health categories are now participating in annual biometric screenings. This group's slight increase in claims (as opposed to a substantial increase from major disease or serious medical complication) suggests that these individuals are now seeking preventive care from their primary-care physicians and are becoming more responsible in their overall health and wellbeing.

CHAPTER 12

Toshiba America Medical Systems: A Case Study

By Ross Gensler

ABSTRACT

Toshiba America Medical Systems (TAMS) has experienced notable success incorporating multiple wellness initiatives within its comprehensive “Health360” program. One such initiative, delivered by Sonic Boom Wellness since February 2011, has helped TAMS maintain a 62 percent active-employee-engagement rate (as of August 2013). Health360’s ongoing success is attributable to the implementation of Sonic Boom Wellness, as well as the perseverance of the Benefits team at Toshiba.

THE COMPANY

Toshiba is a medical imaging technology company located in Orange County, CA, with a total of 1,250 benefits-eligible employees. Prior to Sonic Boom’s implementation, health care costs had already been kept relatively low compared with market averages, and overall company culture and morale had been generally positive. This was a result of Toshiba’s unique, forward-thinking wellness brand called Health360.

Implemented by TAMS’ proactive benefits team, Health360 promotes overall awareness of health, fitness and personal wellbeing. The program is administered through a series of health-related activities throughout the year.

A shining example of Toshiba’s unique approach to wellness is its “carnavalesque” health fairs, which are hosted each year in February. They’re designed to educate employees and raise awareness around the company’s healthcare and benefits options. They’re successful because employees actually want to attend – and with features including a DJ, bounce houses, live exercise tutorials, and a variety of tasty-yet-healthy snack vendors on hand, it makes sense that employees make a point to show up. The CEO even makes a special presentation to rally the troops, recognize significant employee accomplishments, and provide a clear sense of support for those with an active desire to improve their health.

THE OPPORTUNITY

Although its medical-expenditure situation was seemingly better than most, Toshiba's administrative team believed it could do better. A strong foundation had been set, but Health360 needed something to boost employee engagement and improve the company's sense of culture. Enter Sonic Boom Wellness. In February 2011, the Sonic Boom program was integrated into Health360 and, as a result of its revolutionary incentive-management system, quickly established itself as the nucleus of the comprehensive program.

Sonic Boom Components

Sonic Boom provides Toshiba employees with a variety of cutting-edge wellness tools, including web-based trackers, daily activities, team-based contests, social-networking platforms and incentives. Though many different tools are available to Toshiba employees, the core initiative has largely been centered on Sonic Boom's two signature modules: Sonic Striding and the Wellness Incentive Management System (WIMS).

Sonic Striding

Sonic Striding seamlessly integrates a wireless activity tracker, manufactured by FitLinxx, with Sonic Boom's proprietary application programming interface software. FitLinxx's ActiPed, rebranded by Sonic Boom as the SonicPed, is a lightweight, waterproof tracking device that members wear on top of their feet. The SonicPed clips securely on the laces of a shoe; it can also be attached to other footwear (or bare feet) using Sonic Boom's one-size-fits-all elastic strap, which is known as a Boomer Band. The SonicPed can measure a bevy of metrics, including:

- Steps taken while walking or running.
- Speed and total distance traveled while walking or running.
- Length of time spent performing a variety of physical activities, including walking, running, cycling, running on an elliptical machine and swimming.
- Total calories burned while engaged in a variety of physical activities.

With built-in wireless technology, transmitting data to Sonic Boom's servers is as effortless as walking next to one of the many SonicPed receiver stations around Toshiba's workplace for a brief moment. Better still, TAMS subsidizes 90 percent of the cost of SonicPeds for employees, resulting in extremely high accessibility and a nonexistent price barrier to participation. Sonic Boom and FitLinxx focus on making daily engagement as simple as possible.

Data captured by the SonicPed is then seamlessly integrated with Sonic Boom's proprietary software, which provides an effective, personalized means through which members track their activity, compare stats to personal bests, compete with coworkers and more. The program also allows Toshiba to implement compelling contests and fun challenges across the entire population, breaking employees into any variety of teams they can imagine. Toshiba's recent "Summer Steppin'" contest, for example, required employees to achieve a daily average of 5,000 steps over the course of two weeks. Employees who succeeded were entered into a drawing for custom prizes. Without Sonic Boom's custom web-based software, this company-wide contest would have been difficult (if not impossible) to administer in a timely fashion. Con-

test results were tallied quickly, automatically, and with no unfair burden placed on Toshiba's benefits team.

WIMS

Sonic Boom's Wellness Incentive Management System (WIMS) is a sophisticated, flexible platform that integrates data with third-party vendors to deliver a one-stop shop for incentive administration. Using WIMS, Toshiba rewards employees for engaging in a variety of healthy activities, including biometric screenings, health assessments, dental exams and achieving long-term physical-activity goals. One of the rewards employed by Toshiba is a unique virtual currency known as Boomer Bucks, which integrates with the Sonic Boom program: 10,000 Boomer Bucks carry a cash value of \$50, which can be spent in an online catalog of more than 3,000 items. Toshiba employees can earn Boomer Bucks by accruing points within the Sonic Boom system and reaching new levels in the program. For example, an employee can earn up to 50,000 Boomer Bucks per year for achieving healthy biometric ranges in areas such as blood pressure and triglycerides, completing two dental check-ups, one vision check-up, four tobacco-cessation coaching calls, and completing 100 "Healthy Habit Days" throughout the year.

Implementation

Sonic Boom's innovative wellness tools are wasted if the workforce fails to "buy in" and participate in the program. Toshiba combats potential inactivity by employing a team of persistent program administrators who are staunch proponents of good health and wellness. Winners of multiple awards in 2013 (including Communicator, Hermes Creative, Employee Benefit News iCOMM and APEX), this team of sharp, attentive program admins is headed by Toshiba's director of benefits and HRIS, who won the 2013 Healthcare Consumerism Superstar Award for the Most Innovative Incentive Plan Design.

Evidenced by activities like the aforementioned health fair, Toshiba's program admins are extremely proactive. They maintain constant, consistent contact with the company's wellness ambassadors (dubbed "SuperChampions" by Sonic Boom), and regularly brainstorm to come up with compelling methods to maintain and promote the culture of wellness that they've worked to develop throughout the company.

RESULTS

Financial

The joint wellness effort by Sonic Boom and Toshiba has proven advantageous financially, with a steady decline in medical costs and year-over-year claims since February 2011. From 2012 to 2013 alone, medical expenditures decreased by 2.2 percent; by comparison, the year-over-year industry average is an increase of 10-20 percent. A trending decrease in health expenditures over the course of 2.5 years is a rare achievement and can be directly correlated to Sonic Boom, specifically its integration with FitLinxx technology and sophisticated incentive strategies that tie together all of Health360's key programming.

Cultural

Although Toshiba employees were already somewhat active and health-conscious (thanks to existing Health360 initiatives), Sonic Boom's implementation has bolstered the overall program. With the introduction of daily challenges and open recognition of employees' daily achievements, wellness has evolved from a dreaded chore to become a fun team-building activity. According to data gathered from the SonicPed, Toshiba employees have maintained an average of 5,570 steps a day since the program began in 2011; they also engage in an average of 97 minutes of daily activity. Compared to the overly sedentary average American, these are admirable statistics that give employees a sense of accomplishment and greatly increases morale and drive throughout the company. Team-based contests have also helped in building inter-office camaraderie, boosting communication between departments and even forging new friendships.

Wellness

Toshiba now boasts an active engagement rate of 62 percent among all eligible employees, which means that 62 percent of the eligible workforce regularly logs points in their personal Sonic Boom profiles. Because of its high engagement rate among employees, Toshiba's program was extended to spouses in August 2012, stretching the total number to 2,150 eligible members. Of those, 44 percent actively take part in Sonic Boom's wellness programs and activities.

Sonic Boom provides employees and their spouses with a comprehensive wellness portal with multiple activity-tracking options, but the high sustained engagement rate is in large part due to the implementation of Sonic Striding. The SonicPed provides a medium through which users can quantify exercise activity and view data that is clear and easy to interpret. It's also wireless and hassle-free, eliminating the need to plug anything in or self-report activity on a daily basis. Members simply wear their SonicPed and get on with the rest of their day. The TAMS' community is more inclined to follow through on the program because they can see progress in the form of concrete numbers. It is blatantly evident with Toshiba: among all Sonic Boom participants, 77 percent own a SonicPed, using it to routinely log activity data and participate in company-wide contests.

INDIVIDUAL SUCCESS SAMPLE

Pamela B. is one of many beneficiaries of Sonic Boom and the overall wellness program at TAMS. A hard worker with high blood pressure, Pamela took to Sonic Boom's program slowly, barely logging 1,000 steps per day with her SonicPed in early 2011. Determined to lose weight and improve her health, Pamela was fueled by creative incentives and made a personal commitment to change. She steadily increased her step count and made a series of minor nutritional changes, and then joined a gym in the fall to intensify her fitness regimen.

Two-and-a-half years later, Pamela has not only lost 23 percent of her total body mass, decreased her blood pressure from 140/110 to 120/75, and dropped four dress sizes, but she has managed to keep it all off for more than a year. She regularly participates in 5K and 10K events, and has been taken completely off of her cholesterol

medication. She's no longer concerned about the rewards and incentives that TAMS and Sonic Boom provide; to Pamela, maintaining her newfound health is now the number-one objective. Without Sonic Boom to provide that catalyst, Pamela may not have been inspired to take the important first step that led to her drastic lifestyle improvement.

Moving Forward

To say that Sonic Boom's efforts have had a positive effect on Toshiba would be an understatement. As a company that's proactively promoting wellness and health-awareness programs, Toshiba is a stellar outlier, with additional potential to further improve its population's health. With a 62 percent active-engagement rate and a negative trend in medical costs over the past year, Toshiba is in a phenomenal position to continue the success and buck the traditionally sedentary lifestyle of the American tech industry. Additionally, with the implementation of Sonic Boom and FitLinxx's SonicPed technology, Toshiba is now equipped with quantifiable numbers with which to track its progress and make adjustments to programs as needed. This partnership between Sonic Boom and Toshiba is a clear example of how best to enhance existing health-awareness and advocacy programs in the corporate environment.

Colorado Springs School District 11 Case Study

Situation

Colorado Springs School District 11 is the largest in El Paso County and one of the largest in the state. The school district is self insured and has seen healthcare costs soar in recent years, particularly since it has an older employee population with a median age of about 45. To address this issue, it contracted with [Sonic Boom Wellness](#), a corporate wellness program provider and FitLinxx partner, in late 2011 to help build a healthier workplace. Through its wellness program, which uses the [FitLinxx Actiped+](#) activity tracking device, the district sought to improve employee health and reduce healthcare costs.

Wellness Program

Initially, the wellness program provided no employee incentives and, as a result, employee participation was less than anticipated. Late in 2012, the school district initiated incentives and participation rates moved up to 30 percent, with a participation goal of 70 percent by the end of 2013. Today, 3,500 employees in more than 64 locations throughout the district are enrolled in the wellness program, which is promoted through notices and posters.

The district offers wellness program options for healthcare plan participants as well as benefit-eligible non-participants. All healthcare plan participants in the wellness program are given an ActiPed+ at no charge and earn Boomer Bucks for program engagement and achieving activity milestones. In addition, those who complete biometric screenings comprised of cholesterol, BMI and blood pressure can reduce their annual deductibles by up to \$400 per person or \$800 per family.

Benefit-eligible employees who are not on the healthcare plan can purchase an ActiPed+ and earn “Boomer Bucks” based upon steps tracked with the ActiPed+, taking an annual physical, undergoing two dental cleanings per year, and eating/drinking healthy foods and liquids.

Wellness Program Components

Boomer Bucks

Boomer Bucks is a virtual currency that allows participants to shop online for merchandise. The healthier they become, the more they earn. Boomer Bucks are awarded for each 5,000 steps or 30 minutes of activity, drinking water or eating fruits and vegetables each day, etc. For each \$1,000 worth of Boomer Bucks, participants earn \$5 worth of gifts selected from an online catalogue that contains thousands of items.

Competitions

Time-based competitions increase engagement and are good for staff morale. School District 11 holds these over the period of a month based upon “most improved by steps and time” for both men and women. These competitions are also held for longer periods, including summer breaks. Winners are awarded Boomer Bucks to purchase a variety of prizes, including fitness equipment, children’s toys, movie tickets and more.

Ad Hoc Jousts

On occasion, employees request “jousts,” in which they challenge other employees or groups of employees in activities such as the most pushups in 30 seconds, wall squats and more. Winners are awarded Boomer Bucks that can be used for the purchase of prizes.

Weight-Loss Warriors

The Weight-Loss Warriors program helps to arm employees with the knowledge and resources necessary to lose weight and keep it off. It also offers online education that assists employees in coping with psychological issues -- such as mindless eating and emotional dependence on food -- and offers step-by-step instruction in healthy eating.

FitLinxx Activity Tracker

Each participant uses a FitLinxx ActiPed+ wireless activity tracker, which automatically tracks the steps taken, calories burned, distance traveled and total activity time for walking and running. Workgroup SyncPoints are provided in each school’s library to wirelessly offload activity data from the ActiPed+ devices. Employees view their activity stats online through Sonic Boom’s web portal and earn points for reaching activity milestones. By making it easy to track and obtain feedback on their activity results, employees remain engaged for positive long-term behavior changes.

Wellness Program Results:

Program administrators say they have seen a more motivated staff, with groups of friends walking frequently in the mornings. Some people have reported that they were better motivated to lose weight, with one individual reporting the loss of more than 40 pounds. In addition, those employees who undergo biometric screenings and uncover issues are referred to doctors for consultations/treatments to improve their health. The school district picks up all costs for generic mail-order medications treating coronary artery disease, asthma, clinical depression, congestive heart failure, diabetes and hypertension.

Looking Forward:

School District 11 now has baseline employee health data and will compare this to information obtained at the end of this year, including aggregate blood pressure, cholesterol, blood glucose, BMI, etc. It hopes to see a reduction in unhealthy conditions among its program participants and reduce healthcare costs.

Quotes

“Using ActiPeds gets people excited and checking their activity stats every day. Even on weekends, employees often run outside school library windows, where Workgroup SyncPoints are placed, so that they can upload and view their data.” – Richard Stull, Colorado Springs School District 11

“One man was unbeatable in competitions that measured steps, sometimes running up to 17 miles per day. Finally, a woman set out to beat him in a competition by walking – and did so. This got other employees -- who were more comfortable walking -- excited and participating in future events.” – Richard Stull, Colorado Springs School District 11

Image Insert

Caption: School Participants in Wellness Program Kickoff Contest

