

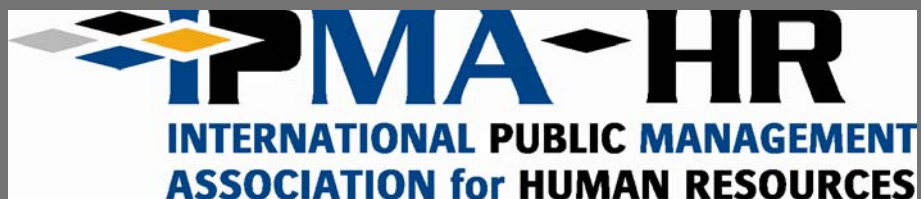
2011

Benefits in the New Economy: 2011 IPMA-HR Benchmarking Survey Report

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Benefits in the New Economy: 2011 Benchmarking Survey Report

IPMA-HR members chose benefits in the new economy as the topic of greatest interest this year. The benchmarking committee set out to learn more about changes being made at the state and local level to address the difficult financial situation that so many members find themselves in post recession. What steps are organizations taking to save money, reduce costs, or encourage retention at a time when public servants are under fire?

We have all seen the reports alleging that public sector workers are paid more than their private sector counterparts. But the April 2010 Center for State and Local Government Excellence and the National Institute on Retirement Security report entitled *Out of Balance? Comparing Public and Private Sector Compensation Over 20 Years* found that when other factors – such as education and experience– are accounted for, public workers actually earn less than their private sector counterparts.ⁱ

The report explains, “Public and private workforces differ in important ways. For instance jobs in the public sector require much more education on average than those in the private sector. Employees in state and local sectors are twice as likely as their private sector counterparts to have a college or advanced degree.”

In terms of salary, the report finds that state workers earn 11 percent less and local workers earn 12 percent less than private sector workers. Benefits comprise a larger portion of compensation for state and local workers but even taking into account benefits, public workers still receive less overall compensation than their private sector counterparts.

According to the 2011 National Survey of County Elected Officials conducted annually by the National Association of Counties (NACo), a third of county officials believe that public sector workers in their counties are underpaid.

Unfortunately the economic situation does not appear to be improving quickly and government employers are faced with reducing services, increasing taxes, or controlling costs through furloughs, pay freezes and benefit reductions. IPMA-HR committee members were interested in learning if there is a new normal. We know that pension benefits have been changed and reduced in 39 states.ⁱⁱ We also know that layoffs, furloughs, and hiring freezes continue. An IPMA-HR survey conducted earlier this year on the employment outlook found that 23 percent of respondents are expecting layoffs this year (522 IPMA-HR members responded to that survey.)

What the survey results show is that public employers are indeed responding to the recession by changing benefits. Health benefits in particular have been affected with many employers shifting costs to employees.

Surprisingly, a number of jurisdictions have opted to enhance their wellness programs or adopt new ones. This is an area that deserves attention because of the great potential to engage employees, improve their lives, while at the same time saving money.

As noted above, most states have made some changes to their retirement plans. The survey showed that 38 percent of respondents had made changes and those changes affect primarily new hires.

More than two-thirds of respondents have cut training budgets and three-quarters have cut travel budgets. Surprisingly, leave benefits have been largely unchanged. Some respondents indicated that furloughs have resulted in more leave. And, a case study at the end of this report discusses an innovative “personal day purchase program” which is a win-win for the county and employees.

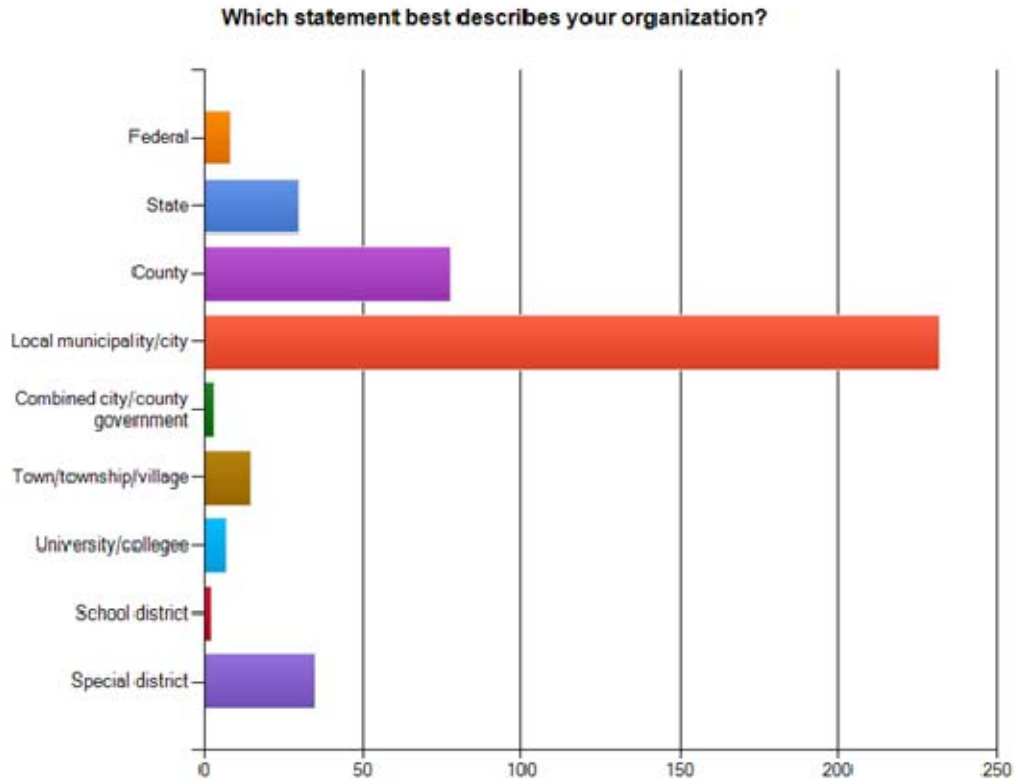
Other benefits, such as tuition reimbursement have also been largely unaffected, perhaps because they were fairly modest to begin with. Another case study discusses one agency’s effort to encourage education by offering cash incentives to those with degrees.

One final win-win area is alternative work arrangements. Generally seen as cost-neutral, alternative work arrangements can provide a significant benefit to employees looking to achieve work life balance.

Below are the survey findings along with case studies.

Demographics

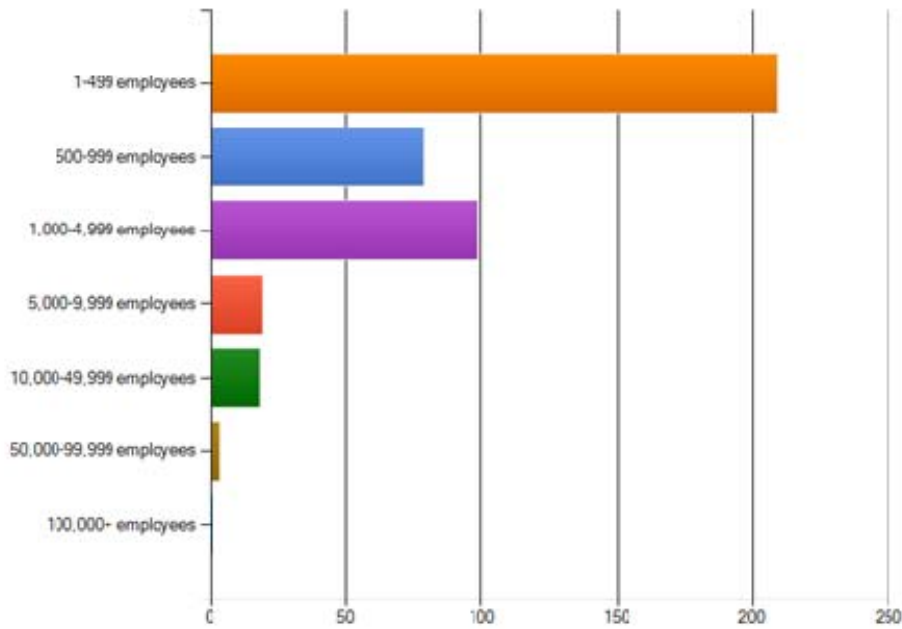
Four hundred and thirty-two individuals participated in the survey with the majority being employed by local government.



(N=410)

Most respondents are from organizations with fewer than 500 employees (49 percent), with 18 percent having between 500 and 999 employees and 23 percent have between 1,000 and 4,999 employees.

Please select the statement that best describes your organization's total number of employees including all full-time equivalent positions (FTEs).



(N=429)

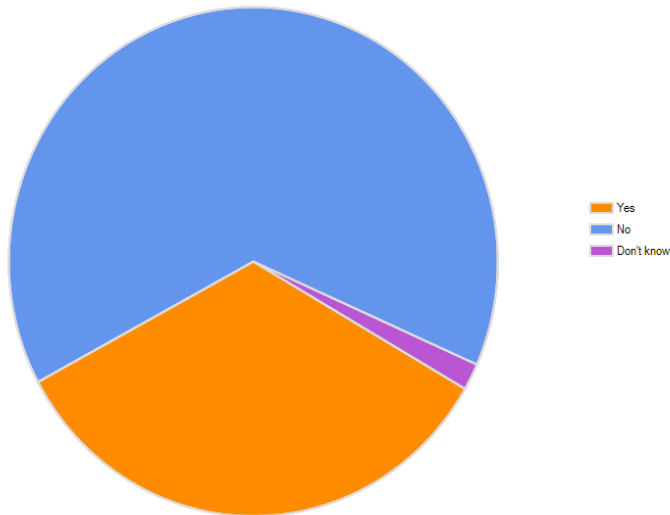
In terms of unions, a plurality of respondents reported having a combination of at-will employees and bargaining unit employees (42 percent of the 389 that answered the question). Twenty-two percent reported having at-will employment, 17 percent said merit-based civil service, and 15 percent said a combination of civil service and at-will employees, the remaining have bargaining unit employees only with no civil service or a merit based system without formal protections.

Thirty-four percent report having no unions, eight percent have less than a quarter of their employees in unions, 12 percent have between a quarter and half of their employees in unions, 18 percent have a half to three-quarters of employees in unions and 28 percent have between three quarters to 99 percent of their workers in unions. (N=429)

Overview of Benefits

The committee started out by asking several general questions. Thirty-four percent of respondents reduced benefits in the past two years while 65 percent had not.

Has your organization reduced overall benefit levels within the past two years?



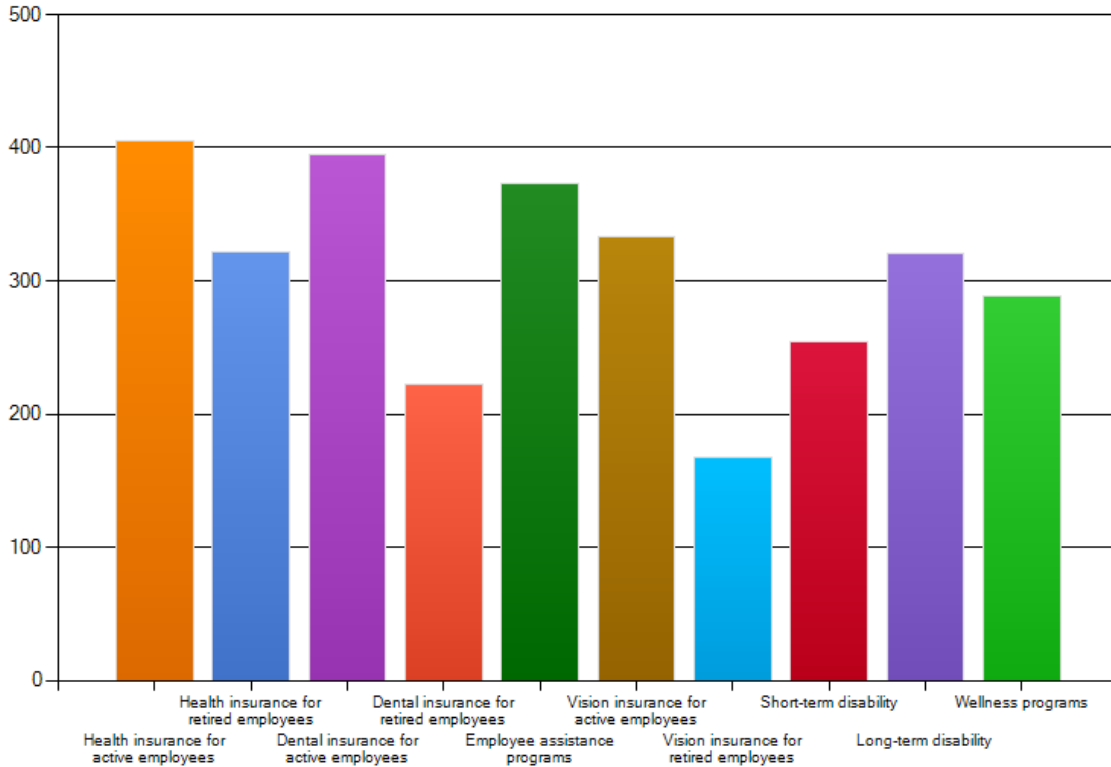
(N=411)

In addition, thirty-four percent of respondents expect benefit levels to be reduced in the next year or two.

The impact of reducing benefits may be great – eighty eight percent of respondents believe that their benefits packages are an incentive in the recruitment process and help retention. Slightly fewer, seventy-seven percent of respondents believe that changes to benefit plans will have an impact on hiring and retention rates in the near future.

Healthcare

Please indicate which of the following health-related benefits your agency provides (currently or provided pre-recession): check all that apply even if the employer does not pay for the premiums.



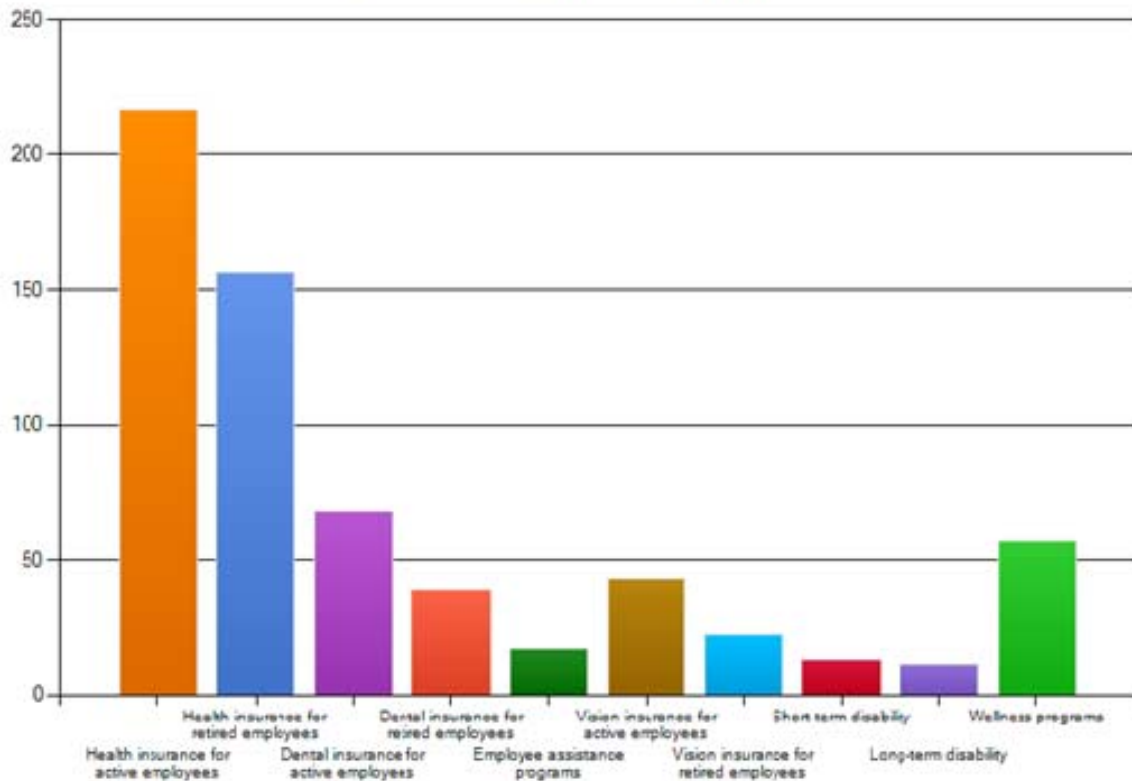
(N=407)

The chart above shows which health-related benefits respondents offer. Nearly all respondents said they provide health insurance to active employees, and 97 percent also provide dental insurance. Ninety-one percent provide an employee assistance program, 82 percent provide vision insurance for employees, 79 percent provide long-term disability, 62 percent provide short-term disability, 71 percent provide a wellness programs.

Benefits for retired employees were slightly less common, with 79 percent reporting health benefits for retired employees, 55 percent provide dental benefits, and 41 percent provide vision insurance to retired employees.

The chart below shows the number of respondents who said they made changes to health related benefits because of economic or fiscal conditions:

Has your agency made any changes to the following health-related benefits because of economic or fiscal conditions?(check all that apply):



(N=382)

The survey results show that IPMA-HR members are reacting quickly to the new economic realities and making many adjustments. For instance, in the area of healthcare benefits, 53 percent (216 respondents) said that they have made changes to healthcare benefits for current employees.

Of those respondents, 72 percent said they increased the employee contribution to the premium and 52 percent said they increased the employee co-pay (respondents were asked to check all that apply). Less than one percent said benefits had been eliminated and 17 percent said that overall benefits had been reduced.

For retired employees the results are similar. Of those who responded to the question (N=154) 58 percent increased the retiree's contribution to the premium, 49 percent increased the co-pay, 22 percent changed insurance providers, 19 percent reduced overall benefits and 17 percent changed the type of plan.

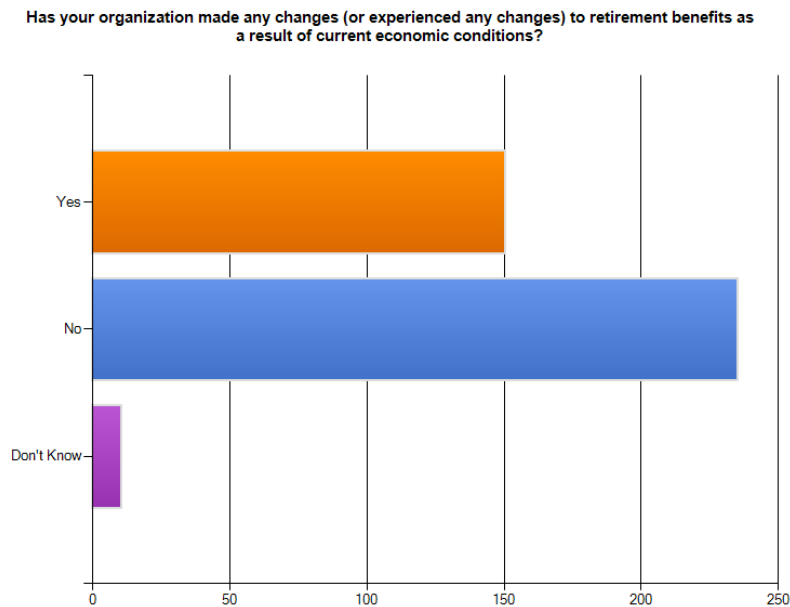
One surprising outcome is that of the 289 respondents who said they have a wellness program, 35 organizations said that benefits had actually increased and 27 organizations said they created a new wellness program within the past 12 months.

At the Waukesha County Technical College in Wisconsin, the wellness program was expanded to include follow-up on health assessments in the form of coaching and expanding health assessments to spouses.

“Follow-up is important to help individuals address any risks identified during the assessment and research shows that the extra support leads to a greater return on investment,” said Kathryn DeRemer, Wellness Coordinator.

“This is the first program that we have expanded to spouses. We wanted to start including this group as they are also health care consumers on our plan. We also saw the benefit of addressing the "family" and not just one individual of the household. Change is much more successful when supported by others,” continued DeRemer.

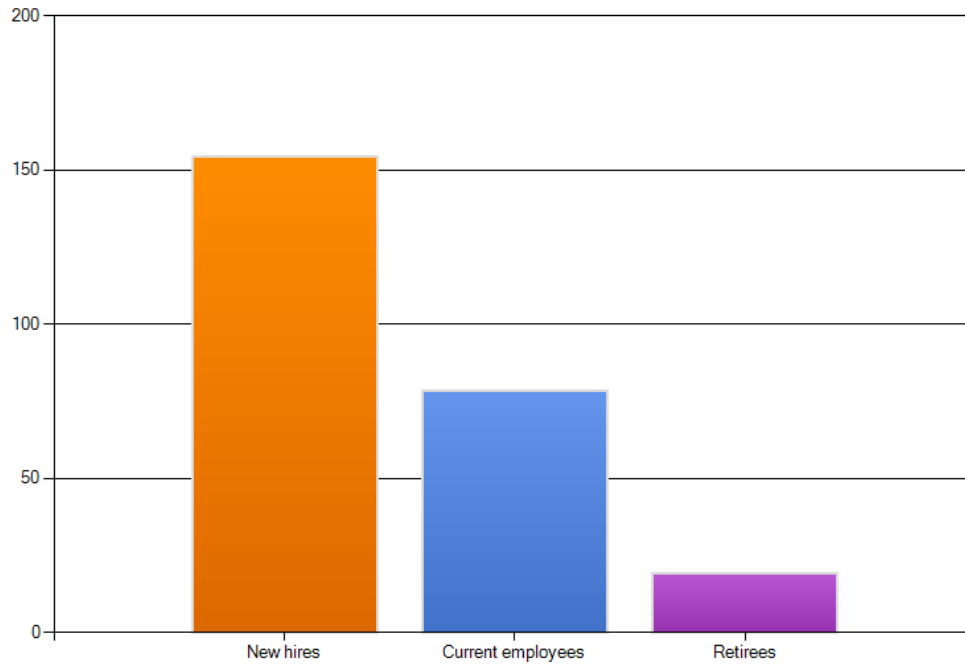
Retirement



(N=395)

Retirement benefits also have been changed to lower costs. Thirty-eight percent of respondents said that they had made changes to their retirement benefits as a result of the recession.

If your organization has experienced changes to the retirement plan do those changes affect:

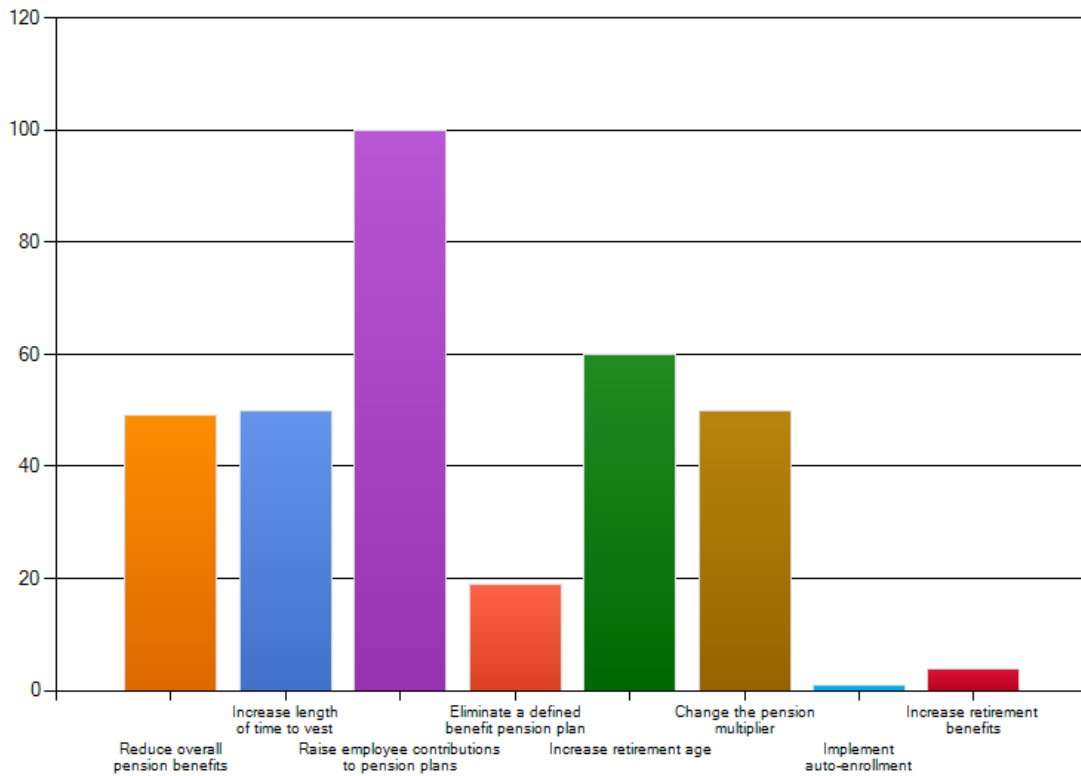


(N= 169)

Those changes were most often made to the benefit plans of new hires, less frequently to current employees and only 11 percent of respondents said it affected retirees.

In terms of the changes made, the chart below shows that the most frequent change was to raise the employee contribution to pension plans. The second most frequent change was to increase the retirement age followed by an increase in the length of time to vest and changing the pension multiplier.

Did the change:



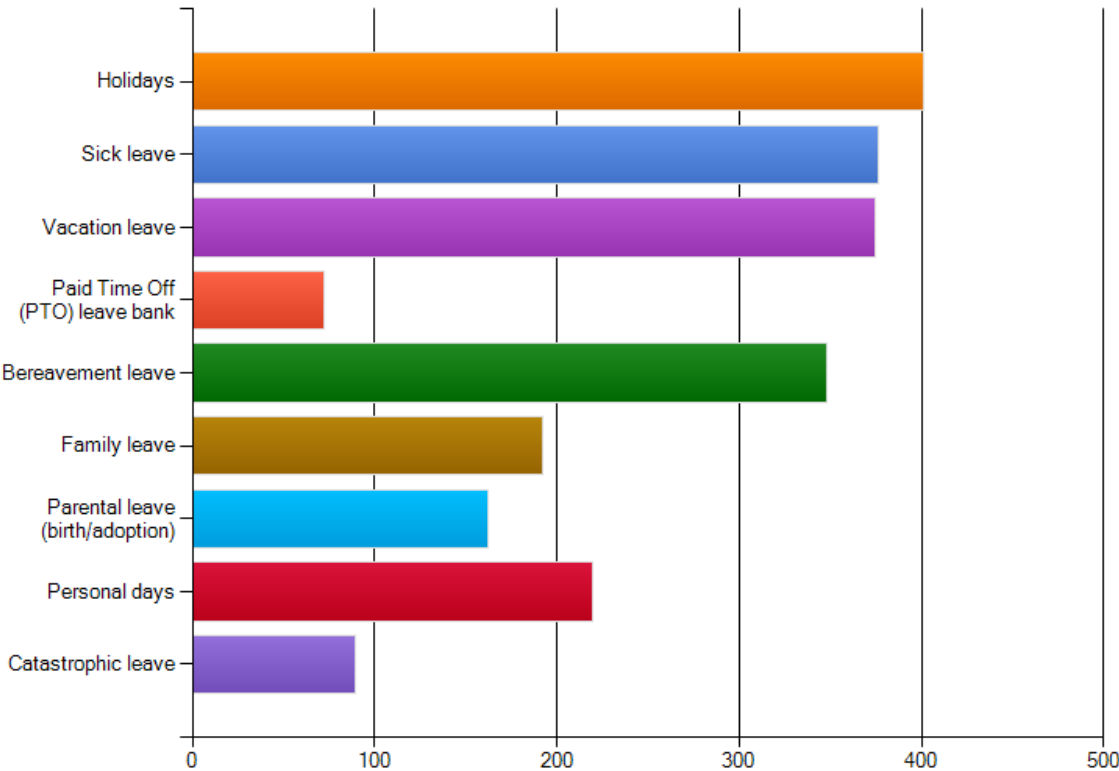
(N=156)

Leave Benefits

Only a handful of jurisdictions have changed their leave policies. In the open-ended questions, those jurisdictions indicated that they implemented furlough days or other mandatory leave policies.

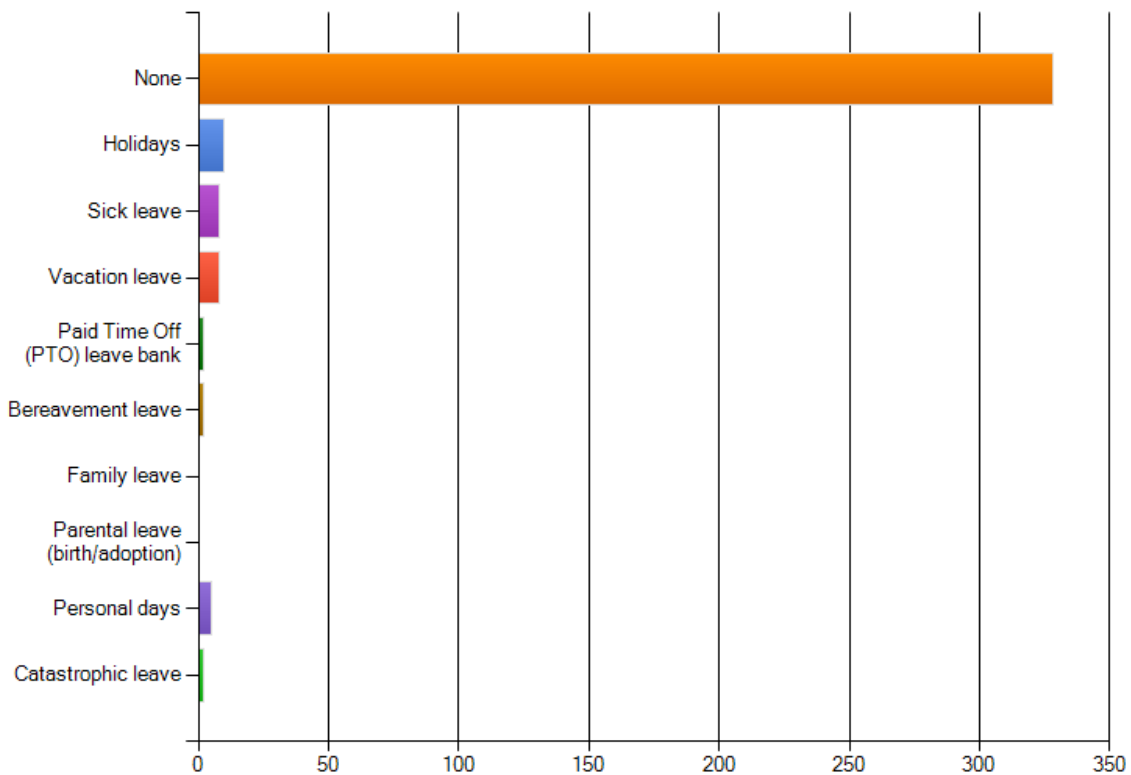
Below are two charts, the first shows the types of paid leave benefits that are offered and the second shows the number of respondents who have made changes to their leave programs.

Please indicate which of the following PAID leave benefits are offered by your agency:
(check all that apply)



(N=403)

Have any of your leave programs been reduced as a result of current economic conditions? Please indicate which ones:



(N=355)

Committee members were interested in policies and programs that might have been adopted during the recession to address employee needs or control costs. One of those areas was the use of Paid Time Off (PTO) in lieu of separate vacation and sick leave banks.

The use of PTO has been growing in popularity over the past decade. A recent [WorldatWork survey](#) revealed that use in the private sector grew from 28 percent to 40 percent from 2002 to 2010. Eighteen percent of respondents to the IPMA-HR survey said they have PTO leave banks, compared to 12 percent in 2001 – the last time the benchmarking committee asked this question. This is less than half of those in the WorldatWork survey, which is primarily made up of private sector respondents. An additional 16 percent of respondents said they are considering adopting a PTO program.

When asked to provide additional detail, a number of respondents said they converted to PTO plans in the mid-1990s. Respondents said these systems can be easier to administer because there is no need to track the reason for the absence and there is only one leave bank to manage.

The Village of Hawthorn Woods, Illinois is one example of an agency that adopted PTO as result of the recent recession as a cost saving measure. The conversion to a PTO program began on January 1, 2010, and was implemented over the course of two years. The village’s workforce is small, which facilitated the switch. There are 20 full-time employees. The new PTO program covered all non-union full time employees. Excluded from the program were 8 full time police department employees, covered under a collective bargaining agreement. “The implementation of a PTO program supports the Village Board directive that the Village be operated like a small business,” said Kristin Kazenas, Director of Human Resources.

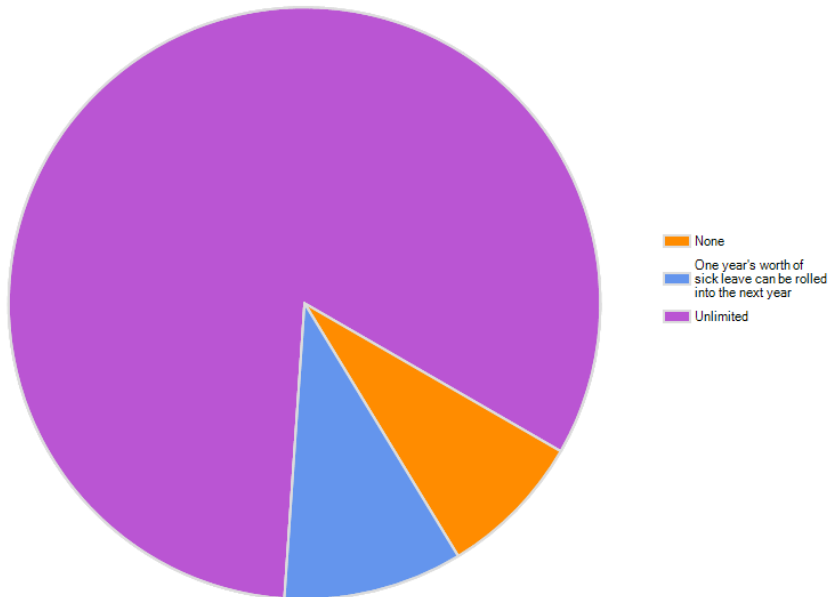
Under the traditional leave system an employee’s accrued sick leave converted to a pension benefit. A single employee alone could cost the village \$25,000 in one year. Under the PTO system, accrued time off expires at the end of the year. Employees earn PTO at a rate of 15 days per year until their fifth year when they earn 20 days and at 10 years they earn the maximum of 25 days per year.

For those who continue to offer traditional leave plans, we asked about the use of sick leave and its conversion to a pension benefit or cash-out.

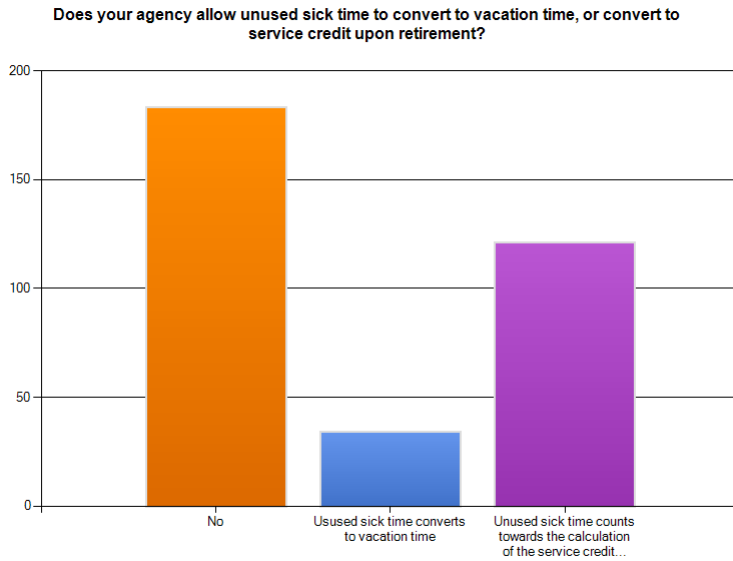
Sick leave

Ninety-three percent of survey respondents said they offer paid sick leave to their employees and 54 percent offer paid sick leave to part-time employees. The average number of paid sick leave days provided per year to full time employees is between 11 and 15 days. Eighty-two percent of respondents indicated that they allow an unlimited amount of sick leave to accrue year to year.

How much paid sick leave do you allow to accrue year to year?



(N= 276)



(N=338)

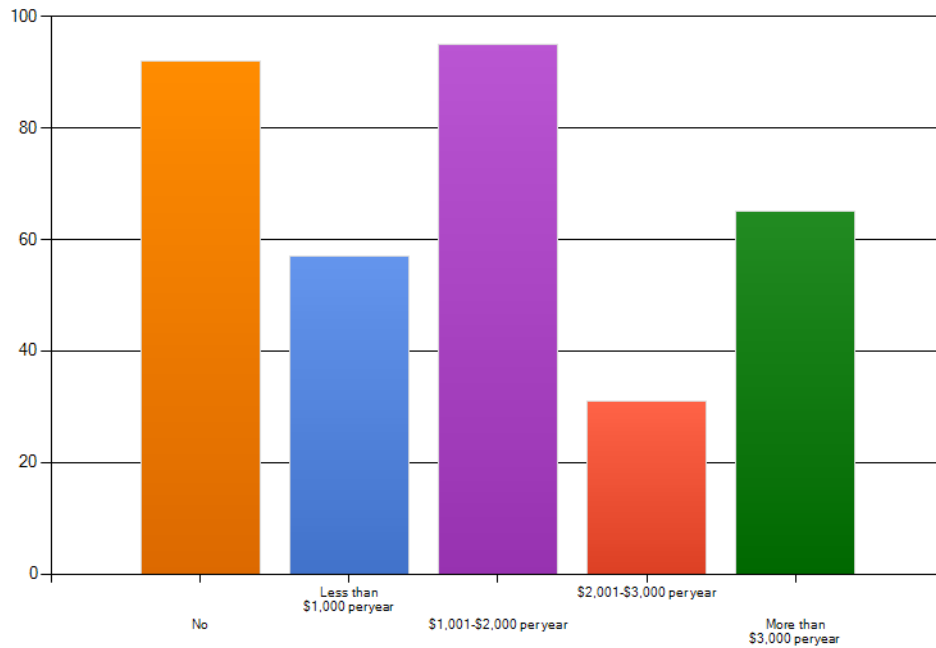
Fifty-four percent of respondents do not allow unused sick time to convert to vacation time or to service credit upon retirement. Thirty-six percent said that unused sick time counts towards the calculation of the service credit upon retirement and ten percent said that sick time converts to vacation time. A significant number of respondents indicated “other” in response to the question with many stating that sick time is cashed out upon termination although generally only at a fraction of the accrued time (e.g. 25 percent of sick time is paid out). Some said that upon retirement the sick leave could be used toward the purchase of health insurance.

Other benefits:

Public agencies struggling with budget cuts have also made significant changes to training and travel budgets. Sixty-six percent of respondents said that their training budget was reduced as result of the recession and 75 percent said that travel has been restricted.

On the other hand, tuition reimbursement plans have been less affected – 62 percent of survey respondents indicated they offer this benefit. Fourteen percent said the program was cut as a result of the recession and 12 percent said that benefits had been reduced.

Does your organization provide tuition reimbursement? (Not job specific-training which is covered in questions 37 & 38)

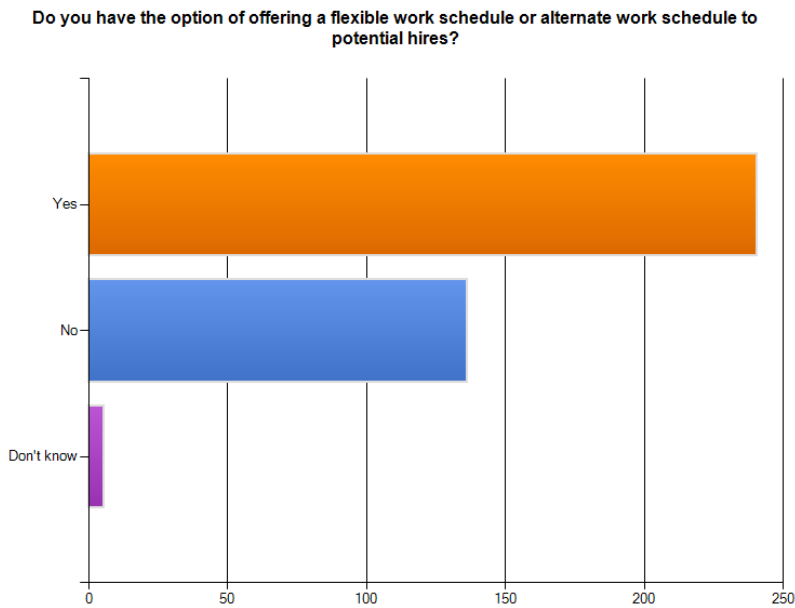


(N=339)

Only ten percent of respondents said that they have the option of utilizing retention or recruitment bonuses and of those six percent said the use of those bonuses had been reduced or eliminated due to current economic conditions. On the other hand, 74 percent of respondents said they have the option of providing above the minimum recruitment incentives to potential hires and or justifying a higher starting salary.

Another area of interest was the use of telework programs. Twenty-two percent of survey respondents (85 respondents) indicated that they have a voluntary program for some employees and positions while 76 percent (290 respondents) said that they did not.

These numbers appear consistent with data from the [Telework 2011: A WorldatWork Special Report](#). That survey found fewer Americans teleworked regularly in 2010 than in 2008. The total number of people who teleworked at least one entire day per month in 2010 was 26.2 million (about 20% of the working population) compared to 33.7 million in 2008. The reasons for this include fewer workers due to high unemployment as well as employee anxiety over job security according to the report.



(N=381)

Sixty-three percent of respondents said they have the option of offering flexible work schedules or alternate work schedules to potential hires while 36 percent said they do not.

Case Studies

Education Incentive Program City of Hoover, AL

Background

The city of Hoover, Alabama has a population of 80,000 and a workforce of about 720 employees. The balance of the city's permanent, full-time employees are in law enforcement, fire protection, and other public safety/public works occupations.

Environment

The city's primary competitors for employees are other local governments, including the city of Birmingham. The city provides a full range of benefits to permanent employees, including a defined benefit retirement plan (through the state retirement system) and health insurance premium support for retired employees. Pay is considered competitive; however, salary schedules have not been increased during the last few years, reflecting economic conditions and the need to manage compensation costs.

The city has a stable, highly educated workforce. However, many employees were hired in the mid-1980s (a period of rapid growth for the city) and are at or near retirement eligibility. Consequently, the city has sought alternatives to routine salary increases to recruit, recognize, and retain good employees.

Education Incentive Program

The city believes that citizens benefit directly and indirectly from a highly educated workforce, even when education (such as a four-year) is not formally required. The Education Incentive Program is designed to recognize employees who have earned an associate's or higher degree and to encourage employees to continue post-secondary education. The program provides tiered payments to employees who hold an associate's or higher degree as follows:

All regular, full-time employees with earned diplomas from accredited, recognized institutions of higher learning will be paid an annual amount for education incentive as shown:

1. Associate's Degree (AA) - \$500
2. Bachelor's Degree (BA or BS) - \$1000
3. Master's Degree (MA, MS, MBA, etc.) - \$2000
4. Law Degree (JO) or Doctoral Degree (PhD) - \$3000

The city also encourages continuing education through a tuition reimbursement program that covers job-related coursework at approved educational institutions.

Results

The program is new (established in January 2011) so long-term effects are not yet known. Nearly half the full-time workforce has qualified for the incentive. The city believes that the program has increased morale, despite concern among some employees who do not qualify for the incentive. Also, several employees have expressed an interest in pursuing further education to qualify for the incentive and to improve their career prospects.

Although fiscal conditions are difficult, the plan was approved by the City Council and the city intends to continue the plan, believing that it is an effective and fiscally responsible way to recruit, recognize, and retain a high-quality workforce.

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Flexible Time Off (FTO) Plan Anoka County, Minnesota

The FTO plan was implemented in 2001 and was driven by the County Commissioners who wanted to distinguish the county’s benefits program from neighboring jurisdictions. In 2001 the county employed approximately 1,800 full time and 700 temporary employees. The numbers are substantially the same now. The county is run by a Board of Commissioners with an elected Chair who is nominated by the board. Compensation is “not the highest” in the geographic region.

The FTO program is available to all non-union employees. Employees working less than 40 hours per week accrue FTO based on the number of hours worked, excluding overtime and compensatory time. All eligible employees accrue time based on length of service and hours worked, regardless of pay grade or position.

In addition to the FTO, the county adopted at the same time an Extended Medical Benefit (EMB) which allows employees to earn and bank time off to be used in the event of an illness or injury of the employee’s own or the employee’s immediate family member that extends beyond five working days. EMB is earned at the rate of 8 days per year and can be accrued up to a maximum of 90 days. EMB has no cash value and is not cashed out upon retirement. Employees have the option of purchasing short term disability in addition to the EMB program. The county also has a long term disability plan that kicks in after 90 days.

Years of Service	Current Plan	FTO Plan
Hire date – 5 th anniversary	12 days vacation 12 days sick	24 days FTO 8 days EMB
After 5 th Anniversary to 10 th Anniversary	15 days vacation 12 days sick	27 days FTO 8 days EMB
After 10 th Anniversary to 15 th Anniversary	18 days vacation 12 days sick	30 days FTO 8 days EMB
After 15 th Anniversary	21 days vacation 12 days sick	33 days FTO 8 days EMB

Questions and Answers:

Please describe any cost savings this program may have created. The plan was not a cost savings measure. It was designed to attract and retain a more stable workforce. There was a cost to engage a consultant (Deloitte and Touche). Otherwise, there was minimal cost for the program.

Was there an increased cost of doing business due to rising amounts of money when employees separate, primarily due to sick leave pay out? No. The City was already booking the cost of a sick leave payout program. (800 hours balance is severable balance.)

What has been the impact to operations? Morale has improved. The new plan was perceived as an improvement to the benefit package. Some programming work was required (Oracle) in order to set up the plan.

What has happened to the short and long term disability rates? Programmatically the new "short" short term disability plan was the Extended Medical Benefit (EMB). EMB accrues at eight (8) days per year. The Long Term Disability (LTD) rates did go up, but primarily due to a reduction in the waiting period from 180 to 90 days. This reduction was a planned tactic to bridge employees with adequate amounts of EMB. If an employee wants to purchase stand alone STD insurance, it is available in \$10 increments. The actual increase in premium for the LTD was \$180,000; this amount was not considered to be a "big deal" by the County.

What is the acceptance rate by employees? During the first two (2) months most employees were suspicious; the sentiment was, what's the catch? Today, no one would give up this program. When the program was rolled out, there were 22 sessions over a two (2) month period.

Upon implementation, in the conversion, did any accrual time get eliminated for any employee or group of employees? No. No accrued time was lost by any employee.

Has eight (8) days per year worked out for a five (5) year employee needing extended medical benefit (EMB) leave? Most employees believe the eight (8) days per year is adequate. A five year employee would have 40 days if they had a medical need. If an employee believes they need additional coverage they can purchase STD in \$10 increments.

The FTO maximum appears to be 240 hours, at what point does an employee either "have" to take time off or cash out, or move to EMB. The hours cannot be moved to EMB. It is a use it or lose it plan. Most people make plans to get the time off that they really want. Some folks are in a lose it position, but it does not sound like there are "problems" in this area.

Do new employees' go through the leave conversion process, or merely accrue pursuant to the FTO program? New employees do not have to go through the conversion. Yes, the accrual rate in the chart above applies to new employees.

How has recruiting and retention improved? Retention has always been high at the County. People tend to stay until retirement. So there was not a marked increase in retention. Because of the shortfalls in

revenue similar to other public sector entities, the County needed to make deep cuts. A furlough would not provide the needed cuts, so an early retirement (through the state retirement system) was offered. There were 398 eligible and 98 took advantage, with one rescinding.

Do you have pre-2001 implementation comparison data or year over year data? No.

What was the motivating force to create the plan? Compensation was determined to be lagging the comparator labor market, a seven (7) county area. The current pay philosophy is to be at the 90th percentile of the metro average. Methodologically, the highest and lowest of the seven (7) are not included in the average. So the driving force was to create a better benefit plan to complement the County's ability to pay consistent with the pay philosophy.

How has the CBA changed, if at all as a result? Represented employees also participated in the informational roll out sessions. Similar to the non-represented employees, there was early skepticism and then a gradual movement toward and participation in the FTO plan.

What special funding or budget adjustments had to be made upon implementation action, or thereafter due to spikes or unusually high utilization for cash? None really. The EMB doesn't have to be booked. Anecdotally, some highly paid employees affected certain departments (early on) and there was a question of who pays (budgetary). FTO is now booked as a liability.

Talk about deferred comp; how was it set up? Has participation numbers or total amount of \$ increased? Deferred compensation came in to play in the pay out of the Personal Conversion Account (PCA, see page 5 of brochure). A goal was set to pay off all employees with PCA balances within a targeted number of years; they are nearing the end of the pay out of PCA. The carriers for deferred comp did a good job of communicating. Behaviorally, some employees with PCA accounts did establish a deferred comp account if they did not have one previously established. More than 50% of the eligible employees took advantage of the deferred comp option.

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DELAWARE STATE HOUSING AUTHORITY WELLNESS PROGRAM INITIATIVE

The Delaware State Housing Authority (DSHA) was created in 1968 as a public corporation in the Delaware State Department of Housing. In 1970, DSHA became part of the Department of Community Affairs and later, in 1987, joined the Delaware Economic Development Office. Recognizing the critical services provided by DSHA, Governor Thomas R. Carper established DSHA as an independent authority in the Executive Department in 1998, with its Director, Susan Frank, reporting directly to the Governor as a member of the Cabinet. This historical step cemented the role of affordable housing as a key aspect of State policy.

Since 1968, when the Delaware General Assembly appropriated \$100,000 for first-year operations, DSHA's assets have grown to more than \$500 million. The greatest period of growth has occurred since 1975, when the Authority first began issuing tax-exempt revenue bonds.

DSHA has the power to make loans and grants to both for-profit and non-profit housing sponsors; to make loans to mortgage lenders and require that they use the proceeds to make new residential mortgage loans; to apply for and receive subsidies from the federal government and other sources; and to issue its own bonds and notes.

In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it also serves as a Public Housing Authority and acts as a Community Development and Planning Agency. As a Public Housing Authority, DSHA receives funding from HUD to build, own and operate public housing in Kent and Sussex counties, two of Delaware's three counties.

Size of workforce

Delaware State Housing Authority (DSHA) has 134 positions available (111 non-State RFT, 3 Casual/Seasonal PT, and 20 State RFT employees).

Background Regarding Initiating a Wellness Program

In the spring of 2008, Delaware State Housing Authority decided to focus on making its agency an employer of choice for potential candidates as well as its employees. Therefore, a decision was made to develop a committee to assist in researching how it could meet its goal. Out of that committee, the job of Director of Human Resources was formed. Also, a review of benefit programs was determined to be necessary. The Director of Human Resources researched various benefit plans and benefit award programs to determine if certain aspects were missing that would be desirable to current and future employees of DSHA. During that research, it was noted that many companies receiving recognition for great benefit plans and employee satisfaction offered wellness and fitness incentives. Therefore, a recommendation was made by DSHA HR Advisory Committee and approved by management to provide fitness incentives and assistance.

DSHA offered health club fee assistance to their employees in July of 2010. During that same spring the State of Delaware announced that a wellness program called "DelaWELL" would be available. The wellness program was reviewed and approved by DSHA management and provided as an option to its benefit eligible employees in the fall of 2010. Eligibility to participate in the program is limited to those

employees and dependents over age 18 that are currently enrolled in a State of Delaware Group Health Plan.

The mission and purpose of the State of Delaware “DelaWELL” comprehensive wellness program is to “bring about awareness, knowledge, and ultimate changes in personal health risk behaviors and overall well-being of employees, in order that the lives of state employees and the welfare of the state as a whole will be significantly improved.” DSHA agreed with this mission and also felt that it worked well with their goal to offer benefit programs that would retain employees and attract candidates and contribute towards being an “employer of choice”. Therefore, DSHA partners its own wellness incentives with the State of Delaware “DelaWELL” program.

Wellness Program Description

Through the DelaWELL Health Management Program, members have access to a wellness assessment, onsite health screenings, wellness challenges, online and onsite health seminars, personal health coaching, condition care programs and much more. Activities, tools, and resources are available to help members take charge of their health and well-being. Participation is tracked and managed on-line. Links, health programs, information and various tools are on the site for member utilization. This program is provided for free as part of employee health care benefits.

Rewards and Incentives

Benefit eligible state agency, school district, charter school and higher education employees, as well as state non-Medicare eligible pensioners, who are currently enrolled in a State of Delaware Group Health Plan can earn DelaWELL Rewards for participating in various program activities throughout the year. A cash incentive of up to \$200 is offered as well as various prizes.

To get the cash incentive, the following is required:

- **DelaWELL Health Screening** (held at various locations throughout the state throughout the fiscal year) Key health values, such as blood pressure, blood sugar (glucose) and cholesterol are given to the employees at the end of these screenings.
- **Wellness Assessment** (confidential questionnaire completed each year). The Wellness Assessment is an online, confidential questionnaire about their health habits and can be completed online in about 20 minutes. Participants receive their score in about 20 minutes as well as a personalized report with recommendations for healthy steps they can take.
- **Health Coaching or Condition Care Program** Employees have access to their own confidential Health Coach who provides personalized guidance through a series of phone calls or online interactions to help them reach health goals, such as losing weight, increasing physical activity, reducing stress or quitting smoking.

Participants must complete both the health screening and wellness assessment to earn a Silver Level \$100 DelaWELL Reward. If a \$200 DelaWELL Reward is desired, employees must also sign-up for a health coach or condition care program. A minimum of 8 sessions are required to be completed for these two programs. All of these are free to participants and activities must be completed by specified dates each fiscal year.

Additional Programs:

Condition Care

An additional feature members can take advantage of is called Condition Care. If participants have certain health conditions, an Alere nurse is available to them 24/7 to help manage conditions, get the most from visits to healthcare providers and live well. Qualified conditions include asthma, chronic obstructive pulmonary disease (COPD), congestive heart failure (CHF), coronary artery disease (CAD), diabetes, back pain and osteoarthritis.

Healthy Living Programs

These interactive, personalized online tutorials help employees take important steps to reduce risk and improve health. Once the online Wellness Assessment is completed, healthy living program topics are recommended and presented on the participant's home page. Other types of programs are also made available such as Weight Loss, Get In Shape, Stress Relief, Healthy Heart, Diabetes-Fighting, Custom Program, Smoke-Free, Healthy Aging, Easy Start, Healthier Diet, Cancer-Fighting, Healthy Senior or Healthy Kids.

DelaWELL University Onsite Health Seminars

Onsite health seminars are held at various times and locations throughout the state during the program year. Topics include seminars such as Stress Management, Self-Care, Diabetes, Weight Management, Heart Health, Nutrition, Cancer and more.

Online Seminars

Online seminars are provided on a different health and wellness topic each month and it can be completed in approximately 15 minutes. The current month's seminar is available on the home page of the DelaWELL health portal and prior month seminars are available in case members did not have the opportunity to view it previously.

WELLNESS CHALLENGES

Various wellness challenges are offered to participants throughout the fiscal year. Examples include walking challenges, eating five fruits & vegetables a day, stress reduction exercises, etc.

When members complete the requirements for any of the above mentioned programs, points or confirmation of attendance is automatically updated in the electronic system.

Measurable Results

Data is sent to the State of Delaware from Alere after the end of the fiscal year regarding participation and consolidated health information. They will not be able to see if improvements were made until they get next year's data. However, I've observed participants change to healthier habits directly because of participation in the program. i.e. drink more water, eat more fruits & vegetables, exercise or walk more, etc. Also, I utilized the health coach last year and continue to meet with her either on-line or via phone for encouragement and advice.

Our agency did not have the participation that I was hoping for – we only had about 5% of employees formally join the wellness program. However, I know many more that utilized some components of the program and participated in wellness activities, but didn't finish. Also, several employees have

contacted the human resources department in the last month with questions about how to join. I am expecting around 10-20% participation this year.

As mentioned prior, DSHA also offers a health club assistance benefit that approximately 20% of our employees take advantage of. DSHA assists with the enrollment fee and monthly cost. We also encourage 'walking' during afternoon & morning breaks.

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Personal Day Purchase Program Coconino County, Arizona

Agency information:

Coconino County has approximately 1,000 regular employees and up to 600 temporary employees serving approximately 130,000 residents. The County jurisdiction consists of national parks, monuments, forests and tribal homelands, drawing countless tourists and visitors.

The County faces unique challenges in the delivery of services to residents and employees as it includes urban and rural communities, many cultures and vast territory (excluding Alaska, Coconino is the second largest county by land area in the U.S.) The Human Resources Department reports to the County Manager through the Deputy County Manager over Internal Services.

Background/Overview:

As with many public employers, Coconino County has been affected by current economic conditions. The Human Resources Department, with the support of, and in collaboration with, the County Manager's Office has developed a number of innovative programs geared to keep the organization whole and retain our valued employees.

Many public employers were enacting or contemplating pay cuts, furloughs, hiring freezes and layoffs, Coconino County as able to avoid such devastating measures. Among the successful programs implemented was the development of a "Personal Day Purchase Program.

Program:

The Personal Day Purchase Program was established to help generate cost saving for the organization and help "fill the gaps" created by decreasing revenue and impacts of the state's budget deficits. "While the concept of implementing furlough days to achieve the needed cost savings was discussed, there was concern that some of our employees would not be able to withstand the cut in pay that would be associated with a furlough program."

Another concern related to a furlough program dealt with the inability to implement it equitably. County operations such as the Sheriff's Office and Public Works require 24/7 staffing. Fortunately, a financial planning model implemented in 2007 projected the recession in advance leaving the County in better financial shape than many other organizations. This allowed them the ability to be creative in the development of a program that was flexible and, most importantly, voluntary. At implementation, financial calculations indicated a savings of \$200,000 if every employee purchased just one day.

Outcomes:

The Personal Day Purchase Program provided employees the ability to purchase up to ten personal days and provided more flexibility in scheduling their time off while allowing them to pay quarterly or divide the cost across all twenty-six pay days throughout the fiscal year. Even employees not necessarily needing the extra “personal” days, participated in the program as a way to do their part in keeping the County “whole” during tough economic times. As a result of the Personal Day Purchase Program, the County has saved approximately \$426,000 since its implementation in FY10. In addition, the program is now ongoing due to employee response and overall satisfaction with this benefit.

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City of Minneapolis Alternative Work Arrangements

In December of 2010, the Minneapolis City Council approved an Alternative Work Arrangements (AWA) Policy. The policy approved covers appointed, non-represented and politically appointed employees. These groups of employees comprise about eight percent of the workforce.

The policy that was approved contains the following types of AWAs:

1. Compressed Work Weeks
2. Flextime
3. Job Sharing
4. Gradual Retirement
5. Teleworking

As part of the policy approval process, the Human Resources Department was given the authority to work with labor and departments, as requested, to expand coverage to those bargaining units who are interested in extending coverage to their membership.

In February 2011, the Minneapolis City Supervisors Association (MCSA) requested the inclusion of all unit members under the AWA policy with the understanding that the AWA Policy is a City policy that is not part of its negotiations, and that the policy may change from time to time without the need to negotiate with the union. Moreover, it was understood that in the event of a conflict between the AWA policy or its procedures and the labor agreement, the terms and conditions of the labor agreement would prevail.

In June 2011, the Minneapolis Professional Employee's Association "signed on" to the AWA policy meaning the policy expanded to another 400 represented employees. With the addition of the employees represented by the two unions, the policy now covers about 23 percent of the regular full-time workforce.

Because the AWA Policy is relatively new and does not cover the entire workforce, the number of employees participating to date is relatively small. Most AWAs currently in place involve a compressed work week, flextime or telework. The number of actual job shares in place is very small and to date no employees have applied to participate in a gradual retirement.

For 2011, the Minneapolis City Council approved a budget that authorizes 3750 full-time equivalents (FTEs). On September 7, 2011, Minneapolis had approximately 3700 active fulltime and seasonal employees, along with a smaller contingent of employees who work part-time and temporary within its workforce.

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ⁱ Report is available online at <http://www.slge.org/vertical/Sites/%7BA260E1DF-5AEE-459D-84C4-876EFE1E4032%7D/uploads/%7B03E820E8-F0F9-472F-98E2-F0AE1166D116%7D.PDF> The Center for State and Local Government Excellence is online at <http://www.slge.org>

ⁱⁱ <http://www.ncsl.org/default.aspx?tabid=22763> NCSL report *PENSIONS AND RETIREMENT PLAN ENACTMENTS IN 2011 STATE LEGISLATURE*