

Innovations in Health Care: Exploring Free-Market Solutions for a Healthy Workforce

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Thank you Chairman Roe and Ranking Member Polis for the opportunity to testify at today's hearing. As the fifth team member of Fitbit Inc. and Vice President and General Manager of Fitbit Wellness, I come today to share my passion for innovating around engaging, data-driven health solutions for employers.

Today, I want to share with you:

- How wellness programs are working, and why these initiatives are so necessary.
- The need for innovative, data-driven approaches in this space, and how Fitbit Wellness is filling that role.
- How workplace wellness is evolving and barriers to widespread adoption.

Fitbit Wellness, our offering for corporate wellness programs, was born out of response to market-stated need. After Fitbit was founded in 2007, we soon noticed a trend of employers purchasing activity trackers in bulk for their employees. We recognized early on that there was a significant opportunity to help organizations develop and implement thoughtful wellness programs by utilizing data and consumer-oriented technology and services. Historically, we have found that wellness programs are expensive and often met with low employee participation,¹ while program administrators often lack the tools needed to implement programs efficiently and measure the efficacy of their efforts.²

Driven by a belief that the right data, tools and guidance can empower people to take charge of their health and fitness, and an enduring philosophy that community is key to fostering healthy behavior, Fitbit Wellness was born in 2010. In 2014, we launched software for companies to provide them with a global view on the activity trends in their populations, and additional tools to help implement Fitbit as a part of their wellness programs. Once we combined the power of the Fitbit ecosystem and brand with an employer-centered approach, we knew we had something great.

¹ "Boosting Wellness Participation Without Breaking the Bank." Towers Watson. July 2010. Accessed via: <https://www.towerswatson.com/en-US/Insights/Newsletters/Americas/insider/2010/boosting-wellness-participation-without-breaking-the-bank>

² "CEOs Make Wellness at Work a Priority for 2016." Fitbit Wellness. March 2016. Accessed via: <https://blog.fitbit.com/your-boss-cares-about-your-health-and-happiness-really/>

With six years of experience behind us, we remain deeply committed to helping companies innovate in this space. We have a specific vision of wellness, one that addresses the diverse needs of both organizations and the people that power them. The fundamental goal of any wellness program should be to provide opportunities for individuals to improve their health and wellness. The need for wellness programs has never been greater, and employers are uniquely positioned to improve population health by starting right in the workplace. Wellness should always be inclusive, voluntary, and should protect the privacy of the people it is aimed to serve.

Fitbit Wellness works with employers to help improve the health and livelihood of their employee populations. Our employer partners include 70 of the Fortune 500, including Bank of America, Target, Barclays, McKesson and Kimberly-Clark. We also partner with leading brands such as Autodesk, Box, BP, Emory University & Emory Healthcare, Geico, GNC, Houston Methodist, Quicken Loans, Sharp Healthcare, Sutter Health and TransUnion. We also partner with leading wellness vendors such as Vitality, StayWell, and Virgin Pulse and health plans such as Premera Blue Cross, Optum/United and Anthem.

While the use of our technology in the corporate wellness setting continues to evolve rapidly, the results our customers have seen so far are significant. Let me briefly share a few examples:

- For one of our customers, **BP**, who we work with through a partnership with StayWell, Fitbit data was a factor in reducing their overall healthcare spend by 3.5 percent. BP also saw that for employees who participated in a lifestyle management program over a one-year period, health risks declined by 11.1 percent.³
- **Appirio**, another Fitbit Wellness customer, cut its 2015 insurance premiums by six percent (a savings of \$280,000) after showing its insurer data about engagement with their wellness program, including aggregate data from the 400 Fitbit devices it had provided to employees.
- **Indiana University Health**, Indiana's most comprehensive healthcare system, has been a Fitbit Wellness customer for over two years. They've found that 40% of participants decreased their BMI, and 60% of program participants with diabetes decreased their A1C levels.

Fitbit Wellness is built around the understanding that better, people-oriented technology enables stronger results. We focus on engaging people first – incentivizing health and wellness through rewarding, community-driven experiences using wearable devices that consumers love. We develop scalable solutions that provide measurable

³ StayWell/BP case study: http://staywell.com/wp-content/uploads/2014/01/StayWell-BP-CaseStudy_Jan2014.pdf

outcomes. Fitbit's simple, trackable wellness metrics enable employees to monitor and celebrate progress.

Companies have traditionally worried about investing in wellness due to lack of participation. Traditional wellness programs generally show about an average 24 percent participation rate.⁴ Fitbit Wellness's participation rates vary company to company, but are often much higher – sometimes more than 80 percent.⁵

This is all about making personal health and fitness data relevant and actionable to the individual. Individuals are able to make better decisions about their health, and this has the potential to drive better health outcomes. Health interventions in a web-based format have been found to be more than twice as effective⁶ in increasing exercise time, knowledge of nutritional status, and in weight loss treatment than those that are analog.

We are seeing results from across the industry that point to the very real ways that wellness works to improve health.

HumanaVitality recently released the results of a three-year study,⁷ showing that employees engaged with health incentive programs had fewer unscheduled absences, lower overall health claims costs and fewer visits to the hospital and emergency room.

One study⁸ by doctors Richard Milani and Carl Lavie found that 57 percent of high health risk program participants were converted to low-risk status by the end of a six-month wellness program. Even more, they found that every dollar invested in intervention yielded \$6 in health care savings.

When Ohio's Regional Transit Authority saw their healthcare premiums increase by \$360 per employee, they decided to invest in Fitbit Wellness. They launched their pilot program in 2014. After the one-year pilot, biometric screenings of program participants showed that total cholesterol had dropped by an average of 17 points; HDL had increased by an average of four points; and glucose levels had decreased by an average of 12 points. Three participants' glucose levels dropped 100 points or more, and one employee with Type 2 diabetes said he was able to stop taking Metformin by walking

⁴ "Workplace Wellness Programs Study." RAND Corporation. 2013. Accessed via: http://www.rand.org/content/dam/rand/pubs/research_reports/RR200/RR254/RAND_RR254.sum.pdf

⁵ Fitbit Wellness Customer Data. Fitbit, Inc.

⁶ "The Effectiveness of Web-Based vs. Non-Web-Based Interventions: A Meta-Analysis of Behavioral Change Outcomes." Journal of Medical Internet Research. October 2004. Accessed via: <http://www.jmir.org/2004/4/e40/>

⁷ <http://humana.newshq.businesswire.com/press-release/current-releases/three-year-study-shows-engagement-wellness-program-lowers-health-clai>

⁸ "Impact of Worksite Wellness Intervention on Cardiac Risk Factors and One-Year Health Care Costs." The American Journal of Cardiology. November 2009. Accessed via: [http://www.ajconline.org/article/S0002-9149\(09\)01337-X/abstract?cc=y=](http://www.ajconline.org/article/S0002-9149(09)01337-X/abstract?cc=y=)

more.

At Bank of America, 90 percent of employees were less stressed and 60 percent felt more connected to their colleagues after participating in their activity challenge. Moreover, Bank of America has begun to bend the trend in productivity and doctor visits as program participants decreased in risk of chronic illness, with 21.8 percent of employees migrating to a lower-health risk category from 2013 to 2015.⁹

Wellness programs can return decreased health risk, reduced medical costs and increased productivity,¹⁰ and the benefits for organizations that make wellness a part of their culture are even greater.

Our current landscape is one of rising healthcare costs¹¹ and changing consumer lifestyles met by an increased focus on driving better workplace cultures and increasing employee engagement.¹² Employer-sponsored insurance is a tremendous part of this equation. According to Kaiser Family Foundation [data](#), 147 million Americans, over half of the non-elderly population, are covered by their employers.

Employers are uniquely positioned to improve population health in the workplace by fostering wellness initiatives that are inclusive, fun, voluntary, and protect the privacy of the people they aim to serve. At present, 85 percent of employers with more than 1,000 employees offer a wellness program, and the numbers are on the rise for both large and small organizations.¹³

What's more is that there is an inherent connection between the workplace and the health of our nation. Working adults, [on average](#), spend at least a quarter to a third of their waking hours on the job and will spend the majority of their lives at work. Our own Fitbit data shows that total sedentary time increases rapidly upon entering the workforce – by about an hour between ages 20 and 24. Sedentary time continues to rise over the course of our careers, by about 30 minutes from ages 24 to 30, and another 30

⁹ "Getting to the Root of a Healthier Workforce." Bank of America Presentation at Fitbit Captivate 2015. October 2015.

¹⁰ "An Employer's Guide to Behavioral Health Services." National Business Group on Health. December 2005. Accessed via: <http://www.businessgrouphealth.org/pub/f3139c4c-2354-d714-512d-355c09ddcbc4>

¹¹ Institute of Medicine of the National Academies. Accessed via:

http://resources.iom.edu/widgets/vsrt/healthcare-waste.html?utm_medium=email&utm_source=Institute%20of%20Medicine&utm_campaign=09.11+IOM+News&utm_content=IOM%20Newsletter&utm_term=Media

¹² "2015 Survey of Employers and Survey of US Health Care Consumers." Deloitte. Accessed via: <http://www2.deloitte.com/us/en/pages/life-sciences-and-health-care/articles/employers-still-bullish-on-wellness-programs.html?id=us:2em:3na:wellness:awa:chs:011116>

¹³ "Workplace Wellness Programs Study 2012." RAND Health, 2013. Accessed via: http://www.rand.org/content/dam/rand/pubs/research_reports/RR200/RR254/RAND_RR254.sum.pdf

minutes from ages 30 to 55. We see a big drop-off in total sedentary time once people hit retirement age.¹⁴

There is a large body of research that paints a compelling picture of how work influences wellbeing: long hours and stress have been tied to everything from increased long-term risk of [cardiovascular disease](#) and [diabetes](#) to an [accelerated aging process](#) and [decreased longevity](#). Eighty-three percent of workers say they're stressed about their jobs and 50 percent say stress is interfering with their sleep – that accounts for an estimated [80 percent](#) of doctors' visits and [at least 120,000 deaths each year](#).

When workplaces make the healthy choice the easy choice, health outcomes can be even more profound. Corporate wellness is evolving as we speak, and is increasingly seeking to represent a more holistic picture of what influences health. Wellness professionals are beginning to look beyond traditional measures like diet and exercise to everything from sleep and mental health to financial wellness and stress management.

The National Business Group on Health (NBGH) expanded their parameters for best-in-class wellness this year – the first update since 2005. In 2016, companies are integrating wellness into the fiber of their organizations, with the recognition that social connectedness, job satisfaction, emotional health, financial security, community involvement and so much more inform health status and behavior. Wellness programs must be able to track and provide results for metrics associated with health and wellbeing, speaking to the rise of wearable technology in the workplace. An ABI Research study from 2013 found that over the next five years, 13 million wearable devices embedded with wireless connectivity would be integrated into wellness plans offered by businesses. ABI Research also predicted in 2014 that by 2019, the enterprise wearable device market will reach \$18 billion.¹⁵

The Wellness Council of America (WELCOA) identifies seven benchmarks for successful, purposeful wellness programs.¹⁶ These include collecting data to drive health efforts, choosing appropriate interventions, creating a supportive environment and carefully evaluating outcomes. Just as our friends in the medical and scientific communities know, data, program design and evaluation are the foundation of any successful health initiative. With wellness programs' level of reach and access, though, comes great responsibility.

Wellness programs aim to help people live healthier, happier and more active lives. Inherent in that mission is the responsibility to implement appropriate data security and

¹⁴ "Fitbit User Sedentary Times." Fitbit, Inc. Internal Study Data. 2016.

¹⁵ "Wearable Wireless Devices in Enterprise Wellness Programs". ABI Research, 2013. Accessed via: <https://www.abiresearch.com/market-research/product/1015937-wearable-wireless-devices-in-enterprise-we/>

¹⁶ "WELCOA's Seven Benchmarks." WELCOA. Accessed via: <https://www.welcoa.org/services/build/welcoas-seven-benchmarks/>

privacy policies. As the leader in the connected health and fitness market, Fitbit is committed to protecting user data and ensuring that the health information tools people turn to for help are used properly. Fitbit believes that participation in wellness programs should always be voluntary. Employees should be given the choice to opt-in to participate, and there should be no penalties for abstaining from participating in a program. Companies should provide participants with an understanding of how their data will be used. Our [Wellness Community Pledge](#), which is publicly available, articulates our standards regarding program participation, data usage, compliance and incentives.

Unfortunately, the regulations governing wellness programs are not always clear and this confusion has left some employers on the sidelines. We at Fitbit are supportive of efforts to clarify and streamline the applicable laws and regulations that govern the structure of wellness programs.

Thank you for inviting me to share Fitbit's passion for data-driven, community-oriented health solutions. We are grateful for the opportunity to testify at today's hearing and look forward to a continued dialogue on the importance of wellness in employer sponsored coverage.