

Wellness Program Grant Materials Outline Vendor, Employer Criteria

It is an oft-cited statistic that up to 75% of current health care costs are incurred treating chronic conditions – high blood pressure, diabetes, etc. – that largely are preventable through healthier lifestyle choices. Workplace wellness programs designed to promote healthier daily habits regarding food, exercise and smoking are now the subject of a [\\$10 million dollar federal grant program](#), set forth in PPACA and administered by the Department of Health and Human Services.

As announced on June 23, 2011, the “Comprehensive Health Programs to Address Physical Activity, Nutrition, and Tobacco Use in the Workplace” is not designed to grant funds directly to employers who sponsor wellness programs, but instead to established wellness program vendors which will in turn organize and staff 24-month wellness programs among seven employer cohorts located throughout the U.S.

The cohorts will consist of 10-15 groupings each of small employers (100 or less full-time employees), mid-sized employers (101-250 full-time employees) or large employers (more than 250 full time employees), for an approximate total of 100 employers. The cohorts will be selected from diverse industry sectors and geographic locations, including locations with “high population prevalence of obesity and/or tobacco use, or other known health disparities.” The program budget will be approximately \$50,000-\$100,000 per small and medium-sized employer worksite and approximately \$50,000 for a large employer worksite with 500 or more full-time employees. The wellness programs established with the funding will be free to participating employees.

To qualify for funding, wellness program vendors/administrators must have a strong record of developing and implementing wellness programs among a variety of employer sizes and industries, must have national/regional level influence, and must be able to represent various stake holders including health promotion vendors, health plans, and brokers. Given the onerous grant application process (including 57 pages of written instructions for proposals) and the short time period for submitting them (only to August **8, 2011**), it is likely that most if not all of the funding will go to organizations that are already seasoned government contractors. The application materials include a

“List of Interested Vendors” who have already identified themselves as likely applicants.

Details on which employers might qualify to join the cohorts are found [here](#) on www.healthcare.gov, and in the four-page Evaluation Criteria that the Centers for Disease Control will use to screen applicants, available at www.fbo.gov. I summarize a few key requirements below:

- The employer’s CEO/C-Suite must demonstrate commitment to and support for wellness programs, including a willingness to allow use of flexible scheduling so that employees can take a greater part in wellness activities.
- The employer must not currently maintain a wellness program consisting of a majority of the most common wellness program features such as smoking cessation programs, weight management programs, classes or seminars on health-related topics.
- Employers with 500 or more full-time employees must be able to invest matching funds equal to the \$50,000 provided by the vendor, into the company’s workplace health program. This can take the form of staff time supporting implementation of the program.

In addition to the contracts awarded to the wellness organizers/vendors, an additional competitive contract will be awarded to an organization to study and evaluate the impact of the program as a whole, including changes in employee knowledge and behavior, and increased employee productivity through decreased absenteeism. The goal of the overarching study will be to identify best practices, define models for implementing core workplace wellness programs, and not least to identify both the “unique challenges and barriers” that employers face in promoting wellness, and the strategies that successfully can overcome them.

<http://www.hhs.gov/news/press/2011pres/06/20110623a.html>

<http://www.healthcare.gov/news/factsheets/wellness06232011a.html>