

Workplace wellness programs may help workers more than employers

A new study casts doubt on the effectiveness of workplace wellness programs. Published April 16 in the *Journal of the American Medical Association*, the study found that BJ's Wholesale Club employees who participated in wellness activities were somewhat more likely than non-participants to exercise regularly and actively manage their weight.

In fact, 8.3% more wellness participants reported exercising regularly and 13.6% more were working to manage their weight.

But researchers reported "no significant differences" in organizational health measures, such as health care spending. Absenteeism, retention and job performance were not affected by wellness program participation.

In other words, workplace wellness programs may benefit employees, but they don't necessarily improve organizational effectiveness.

Health policy experts generally praised the study, called "Effect of a Workplace Wellness Program on Employee Health and Economic Outcomes."

However, some said too few employees participated to have moved the organizational outcome needle very far. "To use a medical analogy," asked Steven Noeldner of the Mercer consulting firm, "would we expect patients to get the full benefit of a medication if they took only a partial dose?"

Workplace wellness programs depend on leaders' support

Researchers from the nonprofit Health Enhancement Research Organization and the Mercer consulting firm found companies reported better wellness outcomes when leaders recognized employees who achieved success and when they actively participated in health and well-being initiatives themselves.

In fact, the practice most associated with higher wellness participation was a leader's public recognition of employees' wellness efforts and achievements. Such organizations reported an average health assessment completion rate of 61% of eligible employees, compared to just 48% for organizations in which leaders do not recognize employees.

The 2018 Progress Report for the HERO Health and Well-being Best Practices Scorecard also found that employers whose leaders actively participate in health and well-being initiatives reported higher median rates of both employee satisfaction with health and well-being programs (83%) and employee perception of organizational support (85%) compared to organizations whose leaders did not actively participate (66% and 67%, respectively).

DOL weighs in: Pay for participating in wellness activities?

Last year the U.S. Department of Labor's Wage and Hour Division released an opinion

letter—FLSA2018-20—that addressed the question of whether the time employees spend voluntarily participating in wellness activities, biometric screenings and benefits fairs is compensable.

The letter addressed whether employees should be paid when they participate in:

Wellness activities. When employees agree to participate in wellness activities, they may be rewarded with lower health insurance deductibles, lower premiums or both. Wellness activities noted in the opinion letter include, but are not limited to, attendance at a health education class on topics such as nutrition or diabetes, participation in an employer-sponsored gym class or use of an employer-provided gym, and participation in a weight-loss program.

Biometric screenings. The opinion letter describes examples of biometric screening tests to include testing for “cholesterol levels, blood pressure, and nicotine usage.”

Benefits fairs. Opinion Letter FLSA2018-20 also notes that attendance at benefits fairs would educate employees about various benefits the employer provides, continuing education opportunities and financial planning options.

Voluntary participation only

The Wage and Hour Division reiterated that its analysis was only of activities in which participation was strictly voluntary. In other words:

- It was up to the employee to decide whether to participate or in which activity they may want to participate
- None of the activities were related to an employee’s orientation or job duties
- The employer did not derive a financial benefit if an employee participated in any activity.

That point is important. Opinion Letter FLSA2018-20 briefly noted that the determination of whether time is compensable turns on whether the time is spent performing duties that benefit the employer or the employee.

Relying on FLSA regulations, it further noted that compensable time did not include the time during which an employee is off duty or completely relieved of work responsibilities and able to use such time for his or her own purposes.

Not compensable

In light of the facts that participation was purely voluntary, an employee might benefit financially from participation and participation enabled an employee to make better decisions about non-work-related matters, the WHD found that such wellness activities predominantly benefit an employee.

Consequently, it concluded that participation in such activities did not constitute compensable time under the FLSA.

It also concluded that participation in these activities constitutes noncompensable off-duty time, as described in the regulations, because the employer is relieving an employee of his or her work responsibilities while participating in these wellness activities.

In doing so, the letter notes that there is no indication that the employer restricts the amount of time for an employee’s participation. It states that its conclusion is the “same regardless of whether the activities occur on-site or during regular work hours.”

What should employers do?

Because opinion letters are fact-specific, before relying on the opinion letter, employers will want to verify that their workplace wellness programs are comparable to the facts described in FLSA2018-20. For example, if participation in certain activities is mandatory or job-related, then such time may be compensable. Similarly, if an employer restricts the amount of time an employee may engage in such activities during regular work hours, then it could convert such time to compensable work time.

Nonetheless, Opinion Letter FLSA2018-20 is helpful guidance for employers differentiating among various circumstances when time spent on wellness activities can be excluded from compensable time.